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Sub-Saharan Africa Report

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ANGOLA

SAVIMBI SPEAKS AT MUNAHNGO ON U.S. AID, NEGOTIATIONS

Johannesburg THE STAR in English 29 Apr 86 pp 1, 11

[Article by John D'Oliveira]

[Text] The aid pipeline from the United States to Unita opened eleven days ago and has already disgorged uniforms, medicines and all-terrain motor vehicles in anticipation of a major government assault on the Angolan rebels.

If and when the pipeline provides Unita with arms - including the Stinger anti-aircraft missile system which is at the centre of a domestic political row in the United States - it could help tip the balance of power in a country which has been at war for more than 20 years.

Dr Savimbi announced the opening of the pipeline at a dramatic press conference held on the platform of the ruined Munhango railway station deep in central Angola on Friday.

His statement will almost certainly given impetus to the controversy in the United States over President Ronald Reagan's Angolan policy.

While Dr Savimbi spoke to media representatives, his troops faced Angolan government units only 20 km to the north.

Landmine drama

Near the platform, Unita medics were treating a soldier whose foot had been blown off by a landmine minutes before the arrival of Dr Savimbi and the media party.

The media party had been flown to Mavinga, about 250 km north of the Namibian border, then travelled by truck for four days and four nights, stopping only for food and vehicle repairs, to the Munahngo station on the disused but vital Benguela railway line.

They returned to South Africa in the early hours of this morning.

Confirming that this was the furthest north that he had held a press conference, Dr Savimbi reviewed the military position in south and central Angola and said his troops were well prepared for the expected MPLA offensive.

Questioned about United States aid, Dr Savimbi said the aid pipeline had opened seven days previously and that Unita had already received medicines, uniforms and all-terrain vehicles.

"The aid process has started but we have not yet reached the stage where we are getting arms," he said.

Questioned about the sophisticated, portable Stinger missiles, Dr Savimbi refused to say whether or not he had the weapons "because of security considerations".

However, he spoke throughout as if his forces either had the Stingers or as if their arrival in Southern Angola was a foregone conclusion.

Referring to the coming offensive by Fapla (the Angolan armed forces) against Unita, Dr Savimbi said his men would be in a better position than before to face Fapla's helicopter gunships, MiG fighters and tanks - "we hope to get the proper equipment we did not have last year".

Asked specifically whether his forces had Stingers, Dr Savimbi said that if the offensive started in May, Unita would have the "effective weapons" President Ronald Reagan had promised.

Unita would not allow Stingers to fall into terrorist hands, he said adding that Unita was not part of the "world-wide terrorist network".

Nor would any of the missiles be passed to South Africa.

Brimming with confidence as he inspected his front-troops deep in central Angola, Dr Jonas Savimbi told representatives of the western media that Unita was ready for the approaching - and possibly decisive - battle with Angolan Government forces.

And he spoke of a serious disagreement over tactics between high-ranking Angolan military officers and their Russian and Cuban advisers.

Bullet Holes

In an audacious move, Dr Savimbi flew 20 journalists, photographers and television crewmen into Mavinga, about 250 km north of the Namibian border, and then trucked them 700 km through the endless Angolan bush to this wrecked station on the Benguela Railway.

The group returned to South Africa in the early hours of this morning.

Dr Savimbi was born at Munhango 51 years ago and his father was the town's station-master.

So it was at the station, its platform littered with broken glass, its walls scarred by countless bullet and shrapnel holes, its environs still dangerous with mines, that Dr Savimbi addressed the media party and inspected a smart detachment of his troops.

Earlier he had moved extensively through the Unita units he expects will have to meet one of the three FAPLA (Angolan armed forces) thrusts towards the Unita capital of Jamba any day now.

Dr Savimbi conceded that the FAPLA offensive against Unita between August and October last year had caught his movement by surprise.

Unita had expected yet another of FAPLA's annual thrusts towards Hamba in south-eastern Angola. Instead they faced FAPLA's biggest ever campaign to destroy Unita and its "capital".

Unita had ultimately stopped the attack short of its Mavinga stronghold, but it had lost the town of Cazombo, close to the Zambian and Zairean borders, as well as some other villages in that area.

"But now we are in a much better position," the rebel leader said.

The morale of Unita's troops was high, much higher than the moral of the FAPLA troops who were deserting in large numbers. In the Munhango area along, more than 100 had fled to Unita and he had been told a unit of 300 would ultimately cross to his side.

The fact that the Reagan Administration was prepared to help Unita gave additional confidence to Unita soldiers - "I am seeing that confidence everywhere".

Unita would be in a much better position than it was in 1984 to face FAPLA's MI24 helicopter gunships, its MiG fighters and its tanks because it expected to get the "proper equipment" - although Dr Savimbi would not be drawn on precisely what that equipment would be.

Unita's military intelligence had improved considerably and it had activated valuable sources in Luanda.

Dr Savimbi said Unita believed the original date for the attack was April 14.

However, Unita knew the FAPLA was having problems with its troops.

In addition, Unita had re-activated its guerillas in the central and northern parts of Angola and they were operating effectively.

Dissension

While FAPLA had replaced the helicopters, the aircraft and the armoured vehicles lost in the confrontation last year, it had been forced to send some

of its troops from the south to the north in order to secure the situation in the northern provinces.

Unita knew that, while the Russians and the Cubans wanted to attack Unita immediately, high-ranking FAPLA officers believed that they should first secure the northern and central provinces before attempting the final thrust against Unita and its capital.

If the FAPLA men won the argument, the offensive might be delayed until June or July.

"However, we think the Russians and the Cubans will win the argument and that the offensive will start some time in May."

Dr Savimbi repeated that he did not believe a military solution was possible in Angola and that Unita was fighting to prove to the MPLA government that it would have to negotiate with Unita, establish a government of national reconciliation, set up a constitutional assembly and then hold free and fair elections.

Unita did not want to create a "government in exile" because this would suggest that Unita wanted the partition of Angola - "this we do not want at all".

United States aid was important to Unita in the political as well as the military fields.

Already the Reagan Administration's statements had increased the number of African countries giving Unita covert support from four to twelve.

If the Reagan Administration kept its word and if United States aid continued, some of these countries would start to speak out in public because they would have more confidence in the US.

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CSO: 3400/1620

ANGOLA

GDR TRAINS ANGOLANS IN TROPICAL AGRICULTURE

Luanda JORNAL DE ANGOLA in Portuguese 28 Jan 86 p 11

[Excerpt] In Altenburg, a small town in the south of the German Democratic Republic, there is a school where a science is taught which is not usually applied at that country's latitude. It is the School of Agricultural Engineering for Tropical Agriculture. Foreign students have been trained there since 1965. In the last 20 years about 600 students from 50 countries have completed their studies there.

Among the present students there are four young Angolans who are receiving training in agricultural engineering in the field of crop production. They are being trained to direct farm enterprises and to plan and organize agricultural production in their own country. Last year Jose Manuel completed his studies at the Altenburg school. During our visit we have the opportunity to talk with him a short time before his return to Angola. He told us that before his stay in the GDR he was studying at an agrarian school in Angola, and after that he worked for 2 years. He then got a scholarship to the GDR to acquire better qualifications.

In his thesis Jose Manuel dealt with the subject of business planning. Using the knowledge and experience acquired throughout his training, he drew up proposals for agricultural planning in his own country.

With the presentation and defense of their thesis, the students of the Altenburg Agricultural School conclude the 3-year training period, which is preceded by 1 year of instruction in German at the Leipzig Herder Institute. As a matter of fact, we were impressed by the knowledge of German displayed by our Angolan friends. They speak very well, although, as they told us, they have some difficulties in learning the language.

We also talked with the school's director, Dr Mothes, about this course. We learned that in the first year the students acquire knowledge in basic subjects and natural sciences, and in the second and third years they receive specialized training in courses like farming, crop production, cattle raising, socialist enterprise economics, mechanics, etc. One of the basic principles applied is the close connection between theory and practice. Of special importance to the students is the apprenticeship accomplished during the wheat harvest, which allows them to apply in practice the knowledge and skills gained in the classroom and in the laboratory. The collective management

and workers of the enterprises selected for the apprenticeship programs provide students with basic experiences for their future work as directors of enterprises.

Special seminars are offered, within the general program of studies, to address certain questions on tropical and subtropical cultures and the economy and technology of the respective countries.

Experienced teachers, many of them with work experience abroad, pass on their knowledge to the students in order to adequately prepare them for their future work.

In the school there are only eight teachers and the atmosphere--that is, the relationship between students and teachers--can be described as family-like. Everyone knows everyone else well, not only from the classes but also from after-school activities and the daily group lunch at the student center. We had the opportunity to have lunch together with both students and teachers, and at that time we learned about the student center and the lives of the residents. Jose Luis, a 23-year-old third-year student, born in Mexico, could tell us a lot about it, since he is the president of the International Students Committee (CIE). The CIE, which consists of two elected representatives from each class, represents the interests of the students, takes care of course-related problems, and helps students organize their leisure time. They have the assistance of the deputy director, Dr Burkhard, who works regularly with the CIE representatives to seek solutions to problems, such as helping students with school problems. The school also organizes excursions, taking students on trips to visit a number of places of social interest, which enables them to gain a better knowledge of the history and cultural heritage of the GDR.

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BOTSWANA

FOREIGN TRUCK DRIVERS ARRESTED; JOB SHORTAGE CITED

Lusaka TIMES OF ZAMBIA in English 17 Mar 86 p 7

[Text]

BOTSWANA is to sack all foreign truck drivers operating vehicles bearing its number plates by April 5 to create jobs for its citizens, it was learnt in Livingstone yesterday.

In a surprise move a combined customs, immigration and police detained a number of Zambian, Zimbabwean, Malawian and South African truck drivers at Kasane border post last week and released them after their employers paid 250 pula.

Some of the drivers said they were detained and denied work permits because they were expatriates. Those who had their work permits extended were allegedly told to train Tswana nationals to drive.

One of the drivers Mr Thabiso Nyathi, a Zimbabwean said he had to travel with his employer Mr John Feriera from South Africa to pay a fine for a Mr Mike Dhladhla who was released after four days.

A Livingstone businessman who did not want to be named said he had travelled to Kasane and paid 250 pula for the release of a driver going to South Africa.

Mr Nyathi who has been a truck driver for 28 years said foreigners would know the clear position after a meeting scheduled to be held in Gaborone on March 20.

He said the move would create trade difficulties in Southern Africa because governments were bound to retaliate and not allow Tswana drivers in their countries.

"They are making things very difficult for us because they don't want us to drive their vehicles. They arrest us for nothing so as to delay business.

"This would also create problems for Botswana because the country does not manufacture trucks and most of the transport companies operating there have their head-

quarters in South Africa.

"Should Tswana drivers be banned from entering other countries then it would require three or four drivers for a truck carrying goods from South Africa, to Malawi or Zaire," he said and added:

"We all want jobs and the Tswana government must not discriminate against us."

GHANA

SOVIET EXPERTS CARRY OUT FURTHER BAUXITE STUDIES

Accra PEOPLE'S DAILY GRAPHIC in English 15 Apr 86 p 1

[Article by Faustina Ashirifie]

[Text]

FURTHER feasibility studies into the Kibi bauxite deposits are being carried out by Soviet experts who arrived in the country last month.

The eight-member team which is working to establish the viability of the project, has so far been to the site and completed the collection of samples of the bauxite deposits which would be sent back home for further studies.

Official sources close to the Minerals Commission, which disclosed these in an interview in Accra yesterday, hinted that the feasibility studies are expected to take about ten months.

According to the sources, at the request of the Soviet Government which had expressed interest in the project the Government of Ghana, in 1983, granted the Soviet experts the chance of studying all feasibility reports that had been prepared on the deposits.

The current studies on the deposits themselves are, therefore, in accordance with a protocol agreement signed between the two countries during a later visit by Captain (rtd) Kojo Tsikata, PNDC member and Dr Kwesi Botchwey, Secretary for Finance and Economic Planning.

Under the agreement, the Soviet Union would exploit the bauxite and build an alumina plant for the processing of the mineral. This, however, would depend on the viability of the project, the sources stated.

On the terms under which the Soviets would undertake the project if proved viable, the sources indicated that they were yet to be worked out, "but we know it will involve the buying by the Soviets of a fair amount of the product."

The Soviets are also considering the rehabilitation of relevant portions of the existing rail network as well as a short extension to the proposed mineral site, a study which is also being carried out under the current feasibility studies.

As to whether other countries have expressed interest in the project, the sources answered in the negative, explaining that the prices of bauxite, alumina and aluminium have now fallen so much so that many investors are being scared away.

Though the sources could not give the actual date for the commencement of the project, they were of the opinion that it would take some time since after the studies, the Soviets would have to submit their proposal, the terms of which would have to be negotiated.

/9317

CSO: 3400/1643

GHANA

AUSTRALIAN FIRM UNDERTAKES SURFACE MINING

Accra PEOPLE'S DAILY GRAPHIC in English 21 Apr 86 pp 1, 4

[Article by Yaw Barimah]

[Text]

MR Fred Ohene-Kena, Under Secretary for Lands and Natural Resources, has announced that Northern Queensland Company of Australia is to undertake surface mining at both Konongo and Obenemase in the Ashante-Akim District.

He said discussions with this foreign company for a joint venture agreement with the State Gold Mining Corporation (SGMC) have reached an advanced stage.

Mr. Ohene-Kena who was addressing the full session of the Juaben Traditional Council at the week-end, said apart from surface mining, the company has also agreed to prospect for gold in the area to determine whether further deep mining and exploitation of gold would be economically feasible.

He hoped that very soon vigorous mining activities would be resumed to bring life back to Konongo and its environs.

The Under Secretary further announced that with the government's present policy on payment for mining operation, it has been decided that rents accruing to any traditional council or community out of the operation of a mining or timber enterprise, should be shared as follows: 60 per cent to the district council of the area where the economic or other activity takes place, 20 per cent to the traditional council, 10 per cent to the stool of the town and

the remaining 10 per cent to the government for administrative charges.

He emphasised that the form of distribution was agreed upon so that a large part of the money accruing from the operation of the enterprise would be ploughed back into the area for its social and economic development.

He expressed the hope that by the time gold deposits in the area are exhausted, a firm and sound infrastructural foundation would have been laid for the benefit of the people of the area.

Nana Otuo Serebour II, Omanhene of Juaben Traditional Area, in his welcome address, said he was pleased to hear that the Konongo Gold Mines which for some time now had been dormant would soon be reactivated.

Nana Otuo Serebour expressed the wish of the traditional area to purchase shares in the new venture.

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CSO: 3400/1643

GHANA

GNPA ORDERED TO STOP RICE IMPORTS

Accra PEOPLE'S DAILY GRAPHIC in English 21 Apr 86 pp 1, 5

[Article by Wendy Asiamah]

[Text]

THE Ghana National Procurement Agency (GNPA) has been ordered not to import rice into the country again.

This follows the production of about 30,000 tons of rice locally by farmers which is sitting in the various rice centres scattered all over the country.

However, what needs to be done is to mobilise the country's resources to evacuate the rice to the marketing centres where they are needed most.

Mr Ato Ahwoi, PNDC Secretary for the National Revenue Secretariat who made this pronouncement at the closing ceremony of the first West African Sub-Regional Export Promotion seminar in Accra at the week-end, challenged Ghanaian private trading concerns to be alive to their responsibility to the nation by ensuring that this produce gets to the consumer.

Two years ago, the country, he indicated, produced maize in excess of the country's requirement and could not export due to the over-valuation of locally produced items. This same problem now faces the country in the production of palm oil and said there is something basically wrong with the country's pricing system to the extent that her production cost always exceeded that of other countries, thus serving as a disincentive and making it impossible to enter the competitive international export market.

Mr Ahwoi noted that for as long as the government owes an obligation to the private sector in the smooth operation of their businesses, they equally owe the nation a responsibility in the performance of their duties and urged the sector not to clamour for import licence as the only sure means of survival.

Commenting on the economy, he noted that over 65 per cent of foreign earnings of the country will be used in servicing the country's debts this year and wondered how much of such earnings would be left to bring in the needed goods and provide the necessary services.

He indicated that if the country's export earnings do not increase, the nation will use 70 per cent of her foreign earning resources in servicing her debts and stated that the country cannot rely on aids and loans since whatever will be given will not be enough. If Ghana is to make a headway in this direction, then it is imperative that she took exports seriously. ..

The banks and the private sector operators, Mr Ahwoi said, therefore have a great responsibility towards the nation if Ghanaians are to survive as a nation.

"If we are able to increase the volume of our exports then we can generate enough money to bring in the needed goods", he pointed out.

In his closing address Mr S.K. Apea, Deputy Governor of Bank of Ghana called for adequate provision to be made for the production, marketing and credit requirements of the export sector, more especially the role of the exporter himself.

"In a highly competitive activity, the exporter must realise that his only hope of survival is to produce goods that meet internationally accepted standards at minimum cost," he said.

Export promotion, he noted, requires the support of government, the banking institutions as well as individual exporters themselves and called for the streamlining of export procedures while liberalising exchange control measures where they affect export performance by fixing an exchange rate that provides adequate incentives in exporters.

He advocated the setting up of an effective export promotion organisation which will identify and advise on products with export potential, disseminate information on foreign markets and marketing strategies while at the same time promoting the establishment of an agency to underwrite export credits.

/9317
CSO: 3400/1643

29 May 1986

GUINEA-BISSAU

ROLE OF BALANTA DISCONTENT, ECONOMIC PROBLEMS IN COUP ATTEMPT

Lisbon AFRICA HOJE in Portuguese Feb 86 pp 21, 22

[Article by Jorge Oliveira]

[Text] The coup attempt led by the ex-vice president of the council of state, Paulo Correia, demonstrated in Bissau that those who believed that internal conflicts, sharpened by the fight against corruption unleashed by President Joao Bernardo Vieira, were capable of provoking a direct confrontation between identifiable interests in Guinean society were correct. At the same time it was shown that Nino is truly the principal figure of power and the guarantee of stability that experts consider essential for the country's economic recovery.

The aftereffects of the coup attempt, dramatized by the death of Joao da Silva, ex-chief of staff of the armed forces and member of the revolutionary council, who occupied the position after the overthrow of Luis Cabral, will remain even after some time has passed, in spite of the president's efforts to minimize the importance both of the movement and its political-tribal implications. The estrangement of Paulo Correia culminated what is considered the "changing of the guard" among the men who created the country--those who took up arms against the colonial regime--and those whose mission is to construct it--the cadres who for the most part have recently graduated from European universities.

In his important statements both on the November 14 anniversary of the coup that overthrew Luis Cabral, and 2 weeks later, in Bafata, Joao Bernardo Vieira insisted on emphasizing the "opportunistic" character of the coup attempt by Paulo Correia, referring to it as the product "of a group of persons with personal ambitions, who tried to take advantage of their tribal origins from which they had long before broken all ties." "Nino" Vieira tried in that way to put an end to the notion of the "Balanta coup" that for a long time had been worrying the Guinean people, and which is important if we consider the group which, together with Paulo Correia, attempted to topple the regime in Bissau. In fact, the vast majority of the military men and civilians involved in the coup attempt were of Balanta stock, or closely related to it.

Local observers claim to see in the origins of the coup a growing dissatisfaction with the men of this tribe who, thanks to their activities during the difficult years of the armed struggle, are better placed in the machinery of

power, but who are losing influence daily in the face of the economic development needs of a country where cadres are scarce. The Balantas are usually considered the tribe that provided the most men to the armed struggle, which is explained either by the fact that the struggle essentially took place on their own "turf," or by dint of their belonging to the most numerous tribal group in the country. (In percentage terms, they were not actually the group that sacrificed the most, according to Guinean authorities.)

The Difficulties of a Disorganized Economy

To the dissatisfaction of the Balanta leaders in the state apparatus can be added a certain amount of popular disenchantment, a result of the increased difficulties of an economy as disorganized as is that of Guinea.

The efforts made by some ministers and administrators of recognized ability have clashed with the antieconomic activities of other authorities who for a long time acted with complete impunity, planting the seeds of disorganization in the state apparatus and drastically diminishing the administration's credibility in the eyes of the international community, on which the country continued to depend for its survival.

Corruption investigations could well have accelerated the coup process, bringing together, at least in appearance, "political" conspirators and other figures concerned about the repercussions of their crimes. The difficulties to which we have alluded could well have convinced seditious elements that this was the "right environment" for the coup attempt.

In any case it has been proven that the conspirators underestimated the charisma of "Nino" Vieira, on the one hand, and the efficiency of the Guinean security forces on the other.

But even though the coup attempt was put down, some of its original motives have not been eliminated. It is for this reason that Joao Bernardo Vieira now seems to be concentrating his efforts in the remodeling of his administration, with a view to providing it with people who combine the confidence of the president with the technical ability to face the work lying ahead.

At the same time, the coup attempt by Paulo Correia and his group appears to have speeded up the return of ex-administrators who were previously estranged, whether because of differences with regard to governmental methods, accusations of corruption later deemed unproven, or involvement in the alleged coup attempt by Vitor Saude Maria, in January 1984.

The Return of Familiar Names

Familiar names such as Joseph Turpin, ex-minister, now attorney general of the republic, or Samba Lamine Mane and Manuel Saturnino, installed as presidents of the state and party committees of Tombali and Cacheu, now returned to the public scene, appear to indicate that a vast process of rehabilitation is

occurring. In Bissau, the possibility that Vitor Saude Maria may soon occupy an important diplomatic post is even spoken of, while other names are suggested for other areas.

For those who follow the young nation's progress, these occurrences are not surprising, given the Guinean capacity for rehabilitating men previously considered lost, not to speak of the proverbial humanism of President Joao Bernardo Vieira (humanism that, according to the president himself, should not at all be interpreted as weakness). There are those who claim to see in these new appointments an attempt by "Nino" to overcome the growing isolation generated by the absence of traditional leaders around him, who were gradually absorbed by the unfolding of the national reconstruction process, a concern which could also explain the recent significant references in his political speeches to both traditional popular values (the "great men and women"), and to religious ones ("there is only one thing in the world I fear, and that is God," he said in the speech in Bafata).

These references do not alter, however, the essential content of his speeches, but rather clarify its meaning. "Nino" Vieira continues to fight for "national unity."

"We do not want to turn our country into another Chad," he also affirmed in Bafata. This speech by the president was notable in other ways, particularly with respect to the implicit condemnation of those who took advantage of ideology and still do, to the detriment of the realism and pragmatism necessary for a poor country.

"We also made a mistake at first, in regulating foreign investment. We made a policy of not allowing those with money to invest it here in this country. We do not have money, and there are people who do and who want to work in Guinea-Bissau. Should we prevent them from doing so? No..," he affirmed.

It appears undeniable that there are a great many needs. However, it is still harder to find solutions. The trust that "Nino" Vieira seems to place in the youngest ranks of his cadres--to whom he paid public tribute in his statement of November 14--may bear fruit, now that there is a clear strengthening of the activities of the PAIGC [African Party for the Independence of Guinea-Bissau and Cape Verde], in which the youth is particularly active, in spite of the personal influence wielded there by the patriarchal and historical figure of Vasco Cabral.

13026/12795

CSO: 3442/177

GUINEA-BISSAU

PORTUGUESE, U.S. COOPERATION PROJECTS DESCRIBED

Lisbon O DIA in Portuguese 18 Mar 86 p 10

[Text] The two main areas in which Portugal is involved financially in Guinea-Bissau are the tripartite project with the U.S. and another project in the field of statistics, Portuguese sources said in Bissau.

They added that it is difficult to place a monetary value on the amount of Portuguese cooperation involved once it is channeled through state agencies and private entities with their own budgets, making it far greater than the amount allocated in the national budget, possibly reaching 150 million escudos annually.

Portugal is cooperating with Bissau in other areas through the Economic Cooperation Institute (ICE) and private businesses, whether through technical assistance in the form of insurance and finance contracts, or even through the concession of grants and the promotion of cultural activities.

At the bilateral level of cooperation, Portugal maintains a relatively large contingent of educational assistants, who are finally going to see their lodging problem resolved by the end of the year, as construction commences on the Portuguese Cooperation Quarter in Bissau this very month.

The same sources, who asked to remain anonymous, said that Portugal will continue to lend assistance in geological-mining exploration, agriculture, fishing, and forestry, as the contracts for the National Laboratory of Civil Engineering (LNEC) and Meteorology and Geophysics Institute contracts are now up for review.

Another interesting aspect of Portuguese cooperation in Guinea-Bissau concerns the concession of subsidies to maritime freight handled by Portuguese ships, which has promoted price stabilization of Guinean products at reasonable levels, those sources said.

The Portuguese contribution at this level is very large and considered by Guinea-Bissau to be more balance of payments assistance than mere cooperative action. What it boils down to is an outright subsidy granted through Portuguese cooperation," the sources contacted by NP emphasized.

The ultimate goal of the tripartite project with the United States is to create a development department in the National Bank of Guinea-Bissau (BNG), able to provide credits for assisting the private agroindustrial business sector.

In its first phase, the project aims to reinforce the structure of the BNG, the economic ministries, and the Technical Institute for Professional Training, with a view to preparing the development department of the only Guinean banking entity.

"To do that, we are planning three big projects, within the overall plan of dynamizing the agroindustrial sector: technical training, technical assistance for the bank and promotion of various products which could turn out to be potentially worthy of financing, and the creation of an experimental line of credit before creating the actual fund," the sources indicated.

The same sources reported that the United States will share in the funding, and Portugal will give financial support in the first project (technical training, technical assistance and research) with the equivalent in escudos of \$300,000 for 3 years.

A new Portuguese statistical analysis project will be signed soon, possibly at a level of very close cooperation, NP was told.

This project, estimated to be worth a million dollars, has an interesting component, as shown by the fact that it is to be carried out in conjunction with the United Nations. It aims to reorganize the entire statistical system of Guinea-Bissau and will be done primarily by the United Nations, with Portugal having important responsibilities at the level of technical and material assistance and training.

Another sector where Portugal has had an important role is that of insurance. Guinea-Bissau was in need of international cooperation in this area, in response to which Portugal, through the National Insurance Institute, trained Guinean cadres to solve problems in this area for themselves. Portugal continues to lend assistance at regular intervals, and to give courses in the recycling of funds.

In the field of geological-mining exploration, Portugal is now going to cooperate with France in the phosphate sector through private enterprise, after having done a 4-year diamond study with satisfactory results.

In addition, technical assistance support will continue to be given to promote cashews, some hectares of cashew trees having already been planted, and the possibility of widespread planting in Guinea-Bissau being studied.

In the fishing sector, the most important cooperative project in which Portugal is involved is the construction of the new building of the secretary of state for fisheries, the completion of which is scheduled for this year.

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GUINEA-BISSAU

USSR FISHING AGREEMENT NEAR 'BREAKDOWN'; SPAIN READY TO TALK

Lisbon SEMANARIO in Portuguese 22 Mar 86 p 29

[Text] Guinea-Bissau is about to break its fishing agreement with the Soviet Union. If this comes to pass, the USSR will be superseded by Spain as Guinea-Bissau's main fishing partner. Discreet talks are already under way between Bissau and Madrid.

A last-ditch effort to try to avoid breaking the agreement will be made tomorrow or the following day when the Soviet fishing minister will be in Bissau.

However, the marked difference between the two sides' negotiating positions is not likely to result in successful talks.

The agreement, which specifically provides for licensing Soviet fishing boats to operate in Guinean waters, is renegotiated every year. In 1985 the renegotiation talks were fraught with difficulties that were only overcome by decisions of a political nature.

In this year's talks, which began in Moscow in February, Guinea-Bissau reasserted its earlier demands, especially its grievance over the fees charged the Soviet fishing fleet to operate under license in Guinean waters.

Under the terms of the bilateral agreement, the fee applicable to Soviet fishing boats is less than \$80 per ton of gross capacity. EEC boats pay \$300. Guinea-Bissau is now insisting on an increase to \$250, but the Soviet Union counteroffers only \$90. Both sides' intractability has become public knowledge.

As an immediate consequence of the impasse, since the licenses issued in 1985 are expiring, Soviet fishing boats (more than 20) were forced to suspend operations in Guinean waters.

Guinea-Bissau's firmness in the talks is also seen as a calculated tactic to allow this disadvantageous agreement to die a natural death. For several years Guineans have been complaining that they are being shortchanged in other ways where there are no viable countermeasures.

These complaints include assertions that the USSR operates more boats in Guinean waters than it has licensed (duplicating registration papers to do so), uses prohibited methods, transfers fish to factory boats on the high seas and even submits altered catch figures.

GUINEA-BISSAU

BRIEFS

CUBA PROVIDES MEDICINE--Last Friday in Bissau, Central Farmedi and Medicuba (a Cuban company which imports and exports medicine) renewed a cooperative agreement to provide medicine. The agreement signed by the two parties amounts to about a million dollars, and the first shipment of medicine worth \$331,603.73 is expected shortly. Cooperation between the two companies began in 1983 and quickened pace with the recent visit of Joao Bernardo Vieira, president of the Council of State, to Cuba. [Excerpt] [Bissau NO PINTCHA in Portuguese 5 Mar 86 p 3] 8844/12795

CSO: 3442/179

POLITICAL SITUATION VIEWED BEFORE, AFTER COUP

Johannesburg THE STAR in English 21 Apr 86 p 10

[Article by Gerald L'Ange]

[Text] While the coup in January has eased Pretoria's worries about developments in Lesotho it has not ended them.

Before the coup Pretoria was getting increasingly uneasy not only about the growing hostility of the Leabua Jonathan regime but also about its blooming friendships with Communist Bloc countries.

Even more disturbing, probably, was Chief Jonathan's reluctance to take what Pretoria considered to be suitably tough action against the ANC's use of Lesotho as a base for insurgency in South Africa.

Pretoria must have watched with mounting concern as Maseru acquired a cluster of Communist Bloc embassies out of all proportion to the country's size and international importance. There was little in tiny, poverty-stricken Lesotho that could justify the substantial Soviet embassy and even less the North Korean one already in Maseru.

China was about to open an embassy and Cuba was believed to be negotiating to do the same.

Lesotho had established diplomatic relations with Rumania and Yugoslavia and both were expected to establish embassies in Maseru.

Red embassies

This would have put six Communist diplomatic premises — twice the number of the Western ones — within shouting distance of the Free State border.

The Red embassies must have aroused suspicions in Pretoria that

they had been set up primarily as lookout posts for close-up surveillance of South Africa or, even worse, to provide direct support to ANC subversives.

In addition, Pretoria's intelligence network will have told it of the increasing activity of leftist political groups in Lesotho and perhaps of ambitions by some to install a government much more leftist than Jonathan's.

The leftists were sufficiently powerful and well placed in Jonathan's ruling Basotho National Party to have worried Pretoria. Most prominent among them were Foreign Minister Vincent Makhele, formerly secretary-general of the BNP, and Information Minister Desmond Sixishe. The political hue of both men is believed to be deep pink if not outright red.

Other leading figures were Chief Jonathan's political adviser, Francis Matholoane; Jonathan's private secretary, Rantumeng Matete; and Minister of State Mojakisane Sita.

Some well-informed Basotho believe it was Mr Makhele's ambition to set up a radically leftist government with himself as its leader. Mr Sixishe was believed by some to have had similar ambitions.

Had either of them succeeded, there is little doubt that South Africa would have had in its gut a regime far more radical and hostile than Jonathan's, probably one with direct, firm and warm links with Moscow and Havana.

Both Mr Makhele and Mr Sixishe are thought to have been closely in-

volved in the arming of the BNP's Youth League and in bringing in North Korean instructors to train it.

According to some accounts the league was being developed by the leftist faction in the BNP as a kind of private army after they failed to gain control of the country's regular army, the Lesotho Paramilitary Force (LPF). They had tried to force Jonathan to replace the LPF commander, Major-General Metsing Lekhanya, with a sympathetic subordinate.

According to some accounts, Chief Jonathan actually fired General Lekhanya but he refused to go and most of his senior officers stood by him, forcing Jonathan to back off.

The leftists appear to have then planned to make the Youth League strong enough to prevent the army from blocking a leftist coup attempt. Some sources say certain individuals in the BNP left wing planned to remove — by assassination if necessary — Chief Jonathan, King Moshoeshoe II and General Lekhanya.

Active support

The left wing is said to have had the sympathy if not active support of a group within the LPF led by its deputy commander, Brigadier BM Ramotsekhoane, and another senior officer, Colonel S Sehlabo (both of whom were detained after the coup and died in custody).

The colonel was viewed by some Basotho as an ambitious opportunist who coveted General Lekhanya's post and was associated with the move to oust him.

All of this conniving on the left caused alarm not only in the army but also on the right wing of the BNP.

Chief Jonathan was fast losing control and Lesotho was ripe for a coup by either the left or the right by the time South Africa imposed the border blockade that helped precipitate the military takeover under General Lekhanya on January 20.

There is fairly wide agreement now that South Africa did not inspire the coup and that the fall of the Jonathan Government was nothing more than an unintended though welcome bonus from the border blockade.

The blockade was aimed primarily at neutralising the ANC, which

has for long been the overriding consideration in South African foreign policy, at least in Southern Africa.

In many respects Pretoria can be satisfied with the new government. It appears to be taking a pragmatic stance that recognises Pretoria's needs and fears, and its ability to squeeze Lesotho's economy to death.

At the same time, however, the Lekhanya Government has signalled its determination to assert Lesotho's independence and sovereignty. While it has expelled some of the North Koreans and moved to resume relations with South Korea, it has not closed Pyongyang's embassy and is going ahead with exchanging embassies with Peking.

It has neutered the BNP Youth League and its leftist bosses and has cracked down on the ANC. But the crackdown is due not so much to disapproval of the ANC as to fear of a resumption of the border blockade. Pretoria may in fact have reason to feel a little uneasy about the new government's attitude to the ANC.

Ostensibly General Lekhanya and the colonels on the supreme Military Council are largely apolitical and conservative soldiers interested mainly in ending Lesotho's damaging political feuds and concentrating the country's energies on economic development. But it may not be as simple as that.

A little known factor is the attitude and power of King Moshoeshoe. Sidelined by Jonathan after losing a power struggle at independence, the king came back into an active role in government following the coup as head of a largely civilian Council of Ministers.

Subject to being overruled by the Military Council, the king has full legislative and executive authority in Lesotho. While his personal views have remained obscure during his years in the shadows of the Jonathan regime, they are believed to be decidedly liberal in many respects.

ANC sympathisers

At the swearing in of the Council of Ministers on January 27 the king said Lesotho must "resist attempts to reduce it to subservient status" and urgently consider righting "the inequitable distribution of services and resources" in the country.

According to some sources the king is not unsympathetic to the aims and policies of the ANC.

Two members of his Cabinet are known ANC sympathisers. One, Mr Khalaki Sello, the Minister of Law, was jailed in South Africa from 1963 to 1965 for ANC activities. His home was machine-gunned in the South African raid on ANC targets in Maseru in 1981.

The other is Moscow-educated Dr Michael Sefali, who is Minister of Planning and Economic Affairs.

While the king acts "in accordance with the advice of the Military Council", two of the six members of the council, Lieutenant-Colonel Thaabe Letsie and his brother, Lieutenant-Colonel Sekhobe Letsie, are members of the royal family.

The royalists are believed by some knowledgeable observers to have more influence than is superficially apparent in the new order in Lesotho.

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LIBERIA

MINISTER SACKOR OUTLINES IMPEDIMENTS TO ECONOMIC GROWTH

Monrovia NEW LIBERIAN in English 7 Apr 86 p 3

[Text] Internal Affairs Minister Edward Komo Sackor has said that the migration of rural dwellers to urban areas and the reluctance of the young people to engage in agriculture and other self-employing ventures were contributing factors to the slow pace of the nation's economic growth.

He said unless measures were taken to correct the situation, development in the various counties will not be realized.

Minister Sackor was speaking Saturday at the city hall in Buchanan when he inducted into office Grand Bassa County superintendent Thomas Johnson.

In remarks, Supt. Johnson promised to justify the confidence reposed in him in the discharge of his duties.

He then asked Minister

Sackor to convey thanks and appreciation to President Samuel K. Doe for his preferment.

Meanwhile, Mr. Sackor has announced changes in the names of the four districts of Grand Bassa County, based on the recommendation of citizens of the county.

District Number One becomes "Worhn," District, Number Two, "Glakor" District, while District Number Three will henceforth be called "Gorblee" and District Number Four "Whograhn".

The changes will become official upon approval of the President of Liberia, according to Minister Sackor.

The minister and his party, accompanied by Supt. Johnson and officials of the country visited District Number Two (GZAKOR) where they inspected farms and the Mensah road project. -- LINA

LIBERIA

CHAMBER OF COMMERCE PRESIDENT APPEALS FOR IMPROVED PERFORMANCE

Monrovia DAILY STAR in English 7 Apr 86 pp 1, 7

[Text]

The President of the Liberia Chamber of Commerce (LCC), Mr. David A.B. Jallah, has called on Liberians to "unite their efforts and work tirelessly" to improve the present economic problem facing the country.

He said in time like these when the world was generally faced with acute economic recession, it was needless for someone to point finger at another person for being responsible for the decline in the economy.

Mr. Jallah made the call Saturday during a program to mark the 2nd Annual Installation & Award Dinner of the Chamber of Commerce at the Ducor Palace Hotel in Monrovia.

He pledged the LCC support in working with the Ministry of Commerce and the Government of Liberia in putting the economy on a better footing.

He said in the past, when the economy was "flourishing, we had our share of it, and now it is receding, we should work together in improving or resolving the present liquidity problem. He said to do so, we will require the collective effort of all, including business executives.

Mr. Jallah who attributed the poor turn-out at the program, in part, to the economic recession in the country, assured the Liberian people that the LCC will do

everything possible to attract more investors into the country so as to improve the economy.

He praised the Government of Liberia through the Ministry of Commerce for continuously promoting business venture in the country, and added that the doors of the LCC were opened to all business executives.

Commerce Minister McLeod E.T. Darpo, who installed the officers and Executive Council of LCC, told the officers that the past years have been "a good one but difficult and hoped that the year 1986 will be a better one between the Chamber of Commerce and the Ministry of Commerce.

She urged the officers to do more in the years ahead in order to recover the economy from what it is today.

At the program, certificates were awarded to Mrs. Mcleod Darpoh, Minister of Commerce; Dr. Christian E. Baker, of the Baker Home-grown Poultry, Mr. M.A. Chisty, Manager of Ducor Palace Hotel; Mr. Gul Bharwaney of the Royal Stationery Stores and Mr. Shafik S. Obeid of the Jet Travel Agency, for "performing beyond the call of duty."

Other personalities at the program who won door prizes, included Ambassador El Dour of the Egyptian Embassy in Liberia and the Guinean Ambassador to Liberia.

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LIBERIA

STRIKING TRANSIT WORKERS RESUME WORK

Monrovia DAILY STAR in English 7 Apr 86 pp 1, 7

[Text]

After 26 days of strike, employees of the Monrovia Transit Authority (MTA), have agreed to resume normal duties today, following an appeal made to them by the Chairman of House Standing Committee on Public Corporation.

This was disclosed in the joint meeting held over the weekend between workers of MTA and the Chairman of the House Standing Committee on Public Corporations, Hon. Mamadi B. Sirleaf in Gardnersville, outside Monrovia.

In that meeting, the workers accused the Managing Director Mr. Bleabay Bedell for the misappropriation of the corporation's funds.

In a letter dated April 2, 1986, addressed to Hon. Sirleaf, a copy of which was obtained by this paper, the workers alleged that the Managing Director, Mr. Bedell "is incapable of managing the affairs of the corporation". The letter said that he (Bedell) sold one of the Corporation's used trucks to one of his friends now bearing license plate number 58-TT, valued at \$2,115.75. But the name of the friend was not disclosed.

The letter also revealed that in early 1985, the Managing Director and his Comptroller, Mr. Robert Burke travelled to Europe with the amount of \$40,000 to

purchase spare parts but noted that the spare parts had not yet arrived.

In their letter, the workers also contended that authorities of the Corporation have failed to pay their salary arrears for five months in 1984, and another five months from 1985 to February, 1986 respectively.

When contacted, the Director of MTA Mr. Bleabay Bedell denied the allegations and said they were "misleading and unfounded". He said investigation into the workers complaint will be completed soon after which time the public will be informed.

Meanwhile, the Chairman of the House Standing Committee on Pu-

blic Corporations
Hon. Mamadi B. Sirleaf has appealed to the workers to return to work while his Committee was doing everything possible to remedy the situation.

Hon. Sirleaf who is a member of the House of Representative from Bong County expressed dissatisfaction over the deplorable condition of the Corporation and

said that his Committee would look into the problems of the Corporation seriously.

He appealed to the workers to be patient until April 16, 1986, at which time members of his committee will return from recess to probe into their complaint.

Hon. Sirleaf who was accompanied to the of-

fices of the Corporation by his Co-chairman, Hon. Gladys G.Y. Beyan, Representative from Lofa County also appealed to the workers to work in unity for the betterment of the Corporation.

It can be recalled that on March 11, 1986 the workers of MTA laid down their tools in demand for their salary arrears.

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LIBERIA

COMMUNIQUE WITH EGYPT ON WORLD PROBLEMS, COOPERATION

Monrovia DAILY STAR in English 8 Apr 86 p 5

[Text]

Upon the invitation extend to him by Dr. Boutros Boutros GHALI, Minister of State for Foreign Affairs, His Excellency J. Bernard BLAMO, Minister of Foreign Affairs of Liberia, paid an official visit to Egypt during the period from April 1 to 3, 1986 at the head of a Liberian delegation.

During this visit, the Liberian Minister was received by His Excellency President Hosni Mubarak to whom he delivered a Special Message of Friendship from His Excellency Dr. Samuel Kanyon Doe, President of the Republic of Liberia. Moreover, he was received by His Excellency Dr. Aly Lotfi, the Prime Minister of Egypt as well as

His Excellency Dr. Esmat Abdel Nagid, the Vice Prime Minister and Minister of Foreign Affairs.

Talks were held between the Liberian delegation headed by His Excellency J. Bernard Blamo, Minister of Foreign Affairs, and an Egyptian delegation headed by His Excellency Dr. Boutros Boutros Ghali, Minister of State for Foreign Affairs, in an atmosphere of friendship and understanding that reflects the cordial relations between the two African States. These talks covered a wide exchange of views on a number of African and International issues and on the strengthening of the bilateral relations and the coopera-

tion between the Governments of the Arab Republic of Egypt and the Republic of Liberia. The two sides expressed their satisfaction with the similarity of views shared by the two countries on a number of issues that are of major concern to the African Continent.

AFRICAN PROBLEMS

In this regard, they agreed to coordinate their efforts in the preparation for the successful convening of the Extraordinary Session of the United Nations General Assembly devoted to the critical economic situation in Africa which is scheduled to be held in May 1986. They stressed the importance of this Session in sensitizing in-

ternational public opinion to the dangers of the present economic problems confronting Africa and expressed the hope that plans and priorities would be set for a common action to confront this crisis derived from the accumulation of foreign debts, drought, famine, the presence of millions of refugees, the lack of proper infrastructures as well as the continued decline of the prices of primary commodities.

They emphasized that the dire consequences of the continuation of this crisis and the deterioration of the African economic situation do not constitute a threat to Africa alone but to world peace, security and stability and should be the concern of the whole international community.

SOUTH AFRICA

The two sides, also, reiterated their strong condemnation of the policies of racial discrimination practised by the Pretoria regime as well as its continued illegal

occupation of Namibia and its repeated armed aggression against the frontline States. In this context, they affirmed their total support for the international conference on sanctions against the racist regime of South Africa that will be held in Paris in June 1986 under the auspices of the United Nations, the Organization of African Unity and the Non-Aligned Movement.

They appealed to all Member of the International Community to take an active part in that Conference and to ensure its success in order to end the rule of racial discrimination and establish a free democratic society in South Africa based on majority rule, respect of human rights and dignity as well as ensure the independence of Namibia in accordance with Security Council Resolution 435.

CHAD & OAU

On the problem of CHAD, the two Ministers expressed their regret at the failure to convene the meeting of reconciliation planned to

be held in Brazzaville under the auspices of His Excellency the President of Senegal and current Chairman of the Organization of African Unity and His Excellency the President of the Republic of Congo. They condemned the policy adopted by the Government of His Excellency President Houssein Habre in favour of conciliation, dialogue and peace and urged all other Chadians to commit themselves to this policy. At the same time, they called upon other countries to respect the sovereignty, national independence and territorial integrity of CHAD.

In addition, the two Ministers reviewed other matters of African concern, particularly the role of the Organization of African Unity. In this regard, they reaffirmed their strong support for the Organization and their adherence to the principles of its Charter. They reiterated their support for the plans set by the Secretary General to implement a series of financial and administrative reforms

in the Secretariat in order to give new impetus to the Organization which would enable it to more effectively assume its responsibilities and duties.

PALESTINIAN ISSUE

The two sides, also, reiterated their support for a just and comprehensive peace in the Middle East based on security Council Resolution 242 as well as on the legitimate rights of the Palestinian People including their right to self-determination. And the two Ministers examined the situation in Lebanon and reaffirmed their total support for any action that would help to preserve the political independence, national sovereignty and territorial integrity of Lebanon and promote national unity and reconciliation under its legitimate Government. They called for the complete withdrawal of all foreign troops from Lebanese territory without pre-conditions or delay.

EGYPT & LIBERIA

In the field of their bilateral relations, the two sides reiterated their political will to exert effort to deepen and increase their cooperation in the political, economic, cultural and technical fields. They agreed that the joint commission established between the two countries in March 1982 should meet before the end of this year to study ways and means to enhance the cooperation between the two countries by promoting commercial and economic exchange. They also reviewed the cooperation with African States.

In this connection, the Liberian side expressed its deep appreciation for the excellent work done by the Egyptian Doctors, Teachers, Professors, Engineers, Agronomists and other experts sent by the Egyptian and Arab Funds and their contribution along with their Liberian brothers to the development of objectives geared toward improvement of the wel-

fare of the Liberian People. The two sides agreed to increase the number of Egyptian Technicians and Experts working in the various Sectors according to the Agreement of Technical Cooperation of May 1982.

In the cultural field, the two sides expressed the desire to conclude a new protocol of cultural and scientific cooperation to promote cultural exchange including the granting of Scholarships. The Minister of Foreign Affairs of Liberia expressed his appreciation for the very warm welcome and hospitality extended to him and his delegation. And he then invited His Excellency Dr. Boutros Boutros Ghali, Minister of State for Foreign Affairs of Egypt, to pay an official visit to Liberia. The invitation was accepted with pleasure by Dr. Ghali and it was decided that the date for the visit would be agreed upon through diplomatic channels.

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CSO: 3400/1635

MALAWI

FRG AGRICULTURAL ASSISTANCE, GRAIN SILO DONATIONS

Blantyre DAILY TIMES in English 18 Apr 86 p 1

[Text] Malawi yesterday formally received 16 mobile grain silos which are part of a K2.2 million package of 89 silos donated by the Federal Republic of Germany to help meet the country's great need for food storage facilities.

The Minister Without Portfolio and Administrative Secretary of the Malawi Congress Party (MCP), Mr. Robson Chirwa, received the silos on behalf of His Excellency the Life President who is Minister of Agriculture while the West German Ambassador to Malawi, Dr. Theodora van Rossum, presented them on behalf of her government at the Lilongwe Admarc depot.

The ceremony included the viewing by the Minister, the Ambassador and officials of one standard silo — which has a capacity of 500 metric tons (about 6,000 bags of maize) and can easily be erected using steel gauges supplemented by special heavy-duty and water-proof tents.

"This ceremony today marks yet another step forward in strengthening the already very good and cordial relations between the Federal Republic of Germany and the Republic of Malawi," Mr. Chirwa said when receiving the silos.

He thanked the West German Government for the great assistance, which had been specially acknowledged by the Life President as a mark of kindness to Malawi.

Mr. Chirwa explained that the silos would help provide better and adequate storage facilities for the country, which has not only fed itself for a number of years but also produced surplus food — particularly maize.

"Although we have some silos at Kanengo in Lilongwe, those silos are not adequate to store all the surplus maize we have, he stated, adding that lack of good and adequate storage facilities had seen the country losing between 20 and 25 per cent of the maize crop each year.

The Minister happily noted that the silos — to be erected in all the country's three regions — will be a boon to Admarc because they are movable and will be sited in areas where they will be needed most.

He further observed

that funds for the silos were part of about K70 million development co-operation aid West Germany pledged to Malawi for the 1985-86 period, with the rest of the money earmarked for utilisation by smallholders in rural areas.

"Malawi greatly appreciates this assistance, which helps His Excellency the Life President to improve the living standards of the ordinary people in villages," Mr. Chirwa said.

Presenting the silos earlier, the West German Ambassador asked the Minister to convey to the Ngwazi that the donation was a German token of "how grateful we are to be able to support his policy of agricultural development and equilibrated development in Malawi."

She said what gave her special pleasure in presenting the silos was the fact that they came at the right time when there was a great need for them in the key agricultural sector generating overall national development.

Dr. van Rossum explained that the donation came after her government received a request to assist the Malawi Government in acquiring adequate and better grain storage facilities late last year.

She described the German-Malawi consultations which ensued as swift, resulting in the "very efficient" provision of the mobile silos which were a mutually-agreed substitute to concrete silos which had been initially requested and may have been much more expensive and taken much longer to construct.

/13104

CSO: 3400/1634

MALAWI

BWANALI ATTENDS SATCC MEETING ON BEIRA CORRIDOR PORT

Blantyre DAILY TIMES in English 21 Apr 86 pp 1, 3

[Text] The Minister of Transport and Communications, Mr. Edward Bwanali, returned home on Saturday from Beira, Mozambique where he attended a two-day Beira corridor development meeting of the Southern Africa Transport Co-ordination Commission (SATCC) of SADCC countries.

Speaking to newsmen on arrival Mr. Bwanali said the meeting discussed with SADCC donors the financing of development of Beira port and railway system over the next ten years.

He described the meeting as very successful in that the donors took a lot of interest in the improvement of the Beira corridor and that some substantial pledges were made.

The Minister said he was impressed with the attendance of SADCC donor communities and the level of attendance at the meeting.

Mr. Bwanali added that delegates reviewed the development of the second phase of Nacala corridor as a side issue at the meeting and that Malawi was following with interest the development of both Nacala and Beira corridors.

From Beira the Mozambique News Agency

(AIM) reported that the Beira corridor technical co-ordination conference ended with a proposal from the European Community to concentrate on a package of 26 port and rail projects with a total budget of 156 million US dollars and a two-to-three year implementation period.

The conference, which ended on Friday was called to consider 40 projects, valued at 260 million US dollars, selected from a ten year plan for development of Beira port and transport and communications systems serving Zimbabwe, Malawi and Zambia.

These three countries, together with Mozambique, Angola, Botswana, Lesotho, Swaziland and Tanzania, are members of SADCC.

The Southern African Transport and Communications Commission (SATCC) of the SADCC

stressed 19 of the projects, budgeted at 69.1 million US dollars, in a contingency plan, AIM said.

The European Community proposal, which includes trimming some of the project budgets, is to be studied by the SATCC and by other delegations to the conference. Immediate support was expressed by representatives of the World Bank and the African Development Bank, AIM stated.

The EEC has made 40 million ECUS (European Currency Units) available to the Beira corridor authority, 35 million ECUS from the SADCC regional fund and five million ECUS from its co-operation fund with Mozambique, said AIM.

Funds now available to the Beira corridor authority total just over 130 million US dollars.

/13104

CSO: 3400/1634

MALAWI

BRIEFS

TOBACCO SALES OPEN, PRICES--Tobacco sales for the 1985/86 season opened yesterday at the Lilongwe Tobacco Auction Floors with prices showing a rise comparing to last year's opening figures. Details of yesterdays sales are as follows: Flue-cured - a total of 67,677 kilogrammes was sold at an average price of 285.22t per kg. Burley - a total of 143,846 kilogrammes was sold at an average price of 338.95t per kg. Last year's opening figures were as follows: Flue-cured - a total of 57,628 kilogrammes was sold at an average price of 196.62t per kg. Burley - a total of 120,893 kilogrammes was sold at an average price of 213.64t per kg. [Text] [Blantyre DAILY TIMES in English 15 Apr 86 p 1] /13104

MAIZE FOR SOMALIA, TANZANIA--The European Economic Community (EEC) in Brussels has acquired a total of 14, - 200 tonnes of maize from Malawi for Tanzania and Somalia, it was learnt this week. The EEC delegate's office in Lilongwe confirmed that 10,000 tonnes had in fact been purchased from Malawi and transportation of the maize by road to Tanzania started in March. The office said under the same contract, a total of 4,200 tonnes of maize was bought for Somalia and shipping of the maize would start in due course. The surplus maize that the community has purchased is the result of a development policy, which among other things, encouraged the attainment of food self-sufficiency and increasing farmer's incomes. [Text] [Blantyre DAILY TIMES in English 24 Apr 86 p 1] /13104

CSO: 3400/1633

COMMENTATOR CRITICIZES U.S. SUPPORT FOR UNITA

Intensification of War Seen

Maputo NOTICIAS in Portuguese 14 Mar 86 p 8

[Commentary by Carlos Cardoso: "Inhambane or Tower of Babel"]

[Text] Recently NOTICIAS carried an important article by Anthony Lewis, of the NEW YORK TIMES. Lewis was talking about a new ideological right wing in the United States that seems to demonstrate great disdain for pragmatism in matters of foreign policy.

It was within the context of a rightist ideological posture--fostered once again by the theory of the East-West conflict--that Savimbi's visit to the United States took place. It is not difficult to predict that we will see two phenomena in the long run: a weakening of U.S. influence in this region, and the attachment of yet another (hardly flattering) label onto the career of Savimbi, who has been consistent in one aspect, i.e., that he has always let himself be used as the tool of foreign forces. But in the short run, the millions of dollars that the United States is going to offer UNITA will certainly translate into more death and destruction in Angola.

Looking at the situation here at home, I can't help but be seriously worried--not merely concerned--about the militant stance assumed by this new American Right.

Over the past 11 years Mozambique and Angola--and later, Zimbabwe--have dramatically changed the power relationships in the region. Today, the entire Western world has one foot in the region and one foot in South Africa, whereas in 1975 everything went through Pretoria.

But this is the same as saying that the West is still hesitating. Each time that the armed bandits record one of their murderous accomplishments, the Western reaction--in general--is not to double up its fists against South Africa, but rather to hesitate even more.

To put it in objective terms, using language that fell into disuse some time ago: the imperialist strategy does not call for replacing the Mozambican Government with a government of armed bandits, because that would cost South

Africa some tens of thousands of its men to defend that government of armed bandits in Maputo from a second war of liberation launched by FRELIMO. Most probably the West would have to pay the price of seeing the war extend into South Africa itself, since, freed of the problems inherent in governing, FRELIMO would have free rein to take the war southwest of the Limpopo River in tandem with the ANC.

No, the imperialist strategy is something else; to force the Mozambican Government to capitulate little by little, while still remaining in power; to force President Samora Machel to abandon everything FRELIMO has fought for.

Let us have no illusions. The sale of industrial units to private interests, the liberalization of prices, Mozambique's entry into the IMF, etc. are not viewed by many Western governments--and especially not by the RSA--as corrections of earlier economic mistakes, adjustments decided on internally, measures in an economic policy intended to serve the common people. No. They are seen as retreats by the Mozambican authorities, made necessary by foreign aggression.

Those authorities really do have a measure of the West's immutability. They don't change--it's only others who change and adapt themselves to Western demands. So they genuinely believe that their conduct vis a vis the PRM can't be anything but this: to apply even more pressure so that we end up accepting capitulation as the least of the evils. We would then have FRELIMO in power, but a FRELIMO that is unrecognizable, with policies opposite to those which launched the Mozambican nation.

Secondly, imperialism knows perfectly well that a peacetime Mozambique could make progress in the consolidation of the people's power and an economy that has a strong socialist sector. And it knows even better that it has already witnessed the capabilities shown by the RPM in the face of years and years of aggression. Therefore, the imperialists cannot leave us in peace. They are conspirators--or active participants--in the RSA's aggression against the RPM.

And this is the objective--and tragic--side of things. None of the people of the so-called Third World can choose sovereignty without a herculean struggle to defend that choice. No one so far has achieved sovereignty without having to face the horror of the wars of aggression.

When capitulation has been brought about, imperialism itself will take care of eliminating the armed bandits. Once the bandits' role as instruments of pressure--the mission for which they were created and led--has been played out, they will be liquidated by their mentors.

Let us look within.

It was in 1980, when the Rhodesian aggression had ended, that the strongest economic recovery of the post-independence era took place. That was also the year that the government introduced the first structural diversification measures into the economy; thus it was a period of relative peace. But this

was not the interpretation given by those outside Mozambique. Recovery was contrary to imperialist interests. The bandits were reorganized, and their numbers multiplied. Aggression began all over again.

During these years of pressure, voices began to be raised inside Mozambique, making all sorts of suggestions; for example, that the government begin denationalizing everything it had nationalized on those glorious days--24 July 1975 and 3 February 1976.

In other words, they proposed capitulation. But those suggestions were--and still are--accompanied by the argument that if we accept them we would be left in peace. An illusion. Other demands would follow, and others, and still more, until we are once again reduced to the condition of slaves, having to leave to some future generation the task of liberating our country again.

Some people's memories are short and their ignorance of history is vast. Colonialism and direct domination are not the immediate result of invasions. They are the fruit of temporary alliances between unequal parties in which one of the parties plays the game of attacking, internally, all forces that oppose the domination. Afterward, those internal allies of the foreign forces--which they plan to dominate--enjoy a period of privileges, but then they all end up being enslaved themselves.

Consider the history of Mozambique's colonization by Portugal. Domination came about gradually, until the traitors themselves became the slaves of the foreign oppressor. At mid-century, we were all in the kitchen; there was no place for us at the boss's table.

Today we are one step away from a point where some of us will betray ourselves for the sake of a few trifling and unsophisticated privileges that independence itself gave us. Under these circumstances, there is only one solution that occurs to me: harden our position. This is easier said than done. But it is possible. And we don't have to go very far back into our history to see this. We have Inhambane.

In mid-1983 there were about 5,000 armed bandits in Inhambane Province. For most of 1982 and the first part of 1983, intense political-military work was conducted in that province in terms of organization and grass-roots effort.

I remember clearly that early in 1983 several provincial cadres complained that more than enough preparatory work had been done and that what was needed was offensive action. That action came at the right time and in a matter of months the main encampments used by the armed bandits--including Tome, the largest south of the Save--had been taken by the FPLM, the militia, and other forces.

I cite the example of Inhambane without intending to belittle positive actions and acts of bravery that have been carried out beyond our borders by members of the military and other people who look with anguish and rage on the veritable sabotage committed against the will of an entire people by a handful of nouveau rich.

I mention Inhambane because if victory could be won there, then the same thing is possible in Gaza, in Manica, and in Cabo Delgado, as well as in Zambezia, in Sofala, and in Maputo.

And I mention it because when President Samora Machel went to Europe in 1983, the Western leaders had already heard about the defeat of bandit tactics there and in Gaza. We had strengthened our position on the ground. We had advanced. They retreated and then pressured Botha to negotiate a security agreement with RPM.

We don't need to go outside the country, therefore, to see where the solution lies. We have our own examples. When we advance, imperialism retreats. It retreats and then rolls out the red carpet to invite us to a dialogue, a dialogue that we have won. When we seize the chance for that dialogue and give up our territory, then imperialism retakes it. That's the way things go.

In the Western governments--particularly those most closely tied to SADCC--there is a certain moral capital that counts for nothing unless we build it up by our own concrete actions. If we fold our arms and wait for a civilized morality to push the Western governments into taking our side--well that's the same as saying that the sun revolves around the earth.

As for us, the residents of the city of Maputo--what are we waiting for? The more we lock ourselves up in our houses for fear of bandits, the more the RSA will use those bandits to attack us, the more heinous will be their crimes, the more we will feel the effects of the rank unscrupulousness of those who organized this slaughter of the Mozambican people.

Those who today are getting rich from this war of aggression are not exactly friends of the armed bandits--they don't want to see the bandits in power. They just want the war to continue, because it is the source of their wealth. So they organize disorganization, lack of discipline, the smuggling of strategic goods. And acting in the name of FRELIMO, which gave us our freedom, they are trying to reduce FRELIMO to an overseer of corruption, of confusion, and of treachery.

At the end of the last century some high officials betrayed us. They allied themselves with the Portuguese in exchange for a half a dozen paltry privileges. The Mozambican people paid dearly for that perfidy--they spent some 70 years as slaves in their own land.

Already there are quite a few voices and acts of betrayal. Already the voices of confusion are numerous, nourished by a chronic lack of information, by a capitulationistic interpretation of many of the economic adjustments that the country has made, and by a dangerous absence of debate and normal explanations of events.

Even certain individuals at various levels of responsibility don't bother to hide the discouragement that, naturally, robs them of strength and skill. To them we can say: don't do it. Look for help wherever you want to, but don't show weakness. You don't have that right.

FRELIMO's strength comes from crises, and each crisis makes it stronger because it becomes more universal, more plebian. All the conditions are right for us to make the crisis we are experiencing a lever for peace.

Our fight against armed bandit tactics is a fight against Pretoria's fifth column. It is a struggle against apartheid. It is our contribution to the weakening of that irrational and irresponsible nation that is the home of apartheid. What better motivation can we have to live the life we are living today than that we can take part in this struggle? What trivial and unsophisticated commitments can replace the liberty that is intrinsic in the act of combating apartheid?

In Africa no fight is won without leadership, no struggle is won without clear vision. The discouragement that exists today among the cadres and among the common people is not the result of a desire for a new political system. It is the result of wanting to see action from the entire governing body of this country. And that action has to come, so that we can put an end to this leisurely, but corrosive, construction of an ideological Tower of Babel.

There is no alternative: either we have Inhambane, or we have a Tower of Babel.

U.S. Credibility Damaged

Maputo NOTICIAS in Portuguese 15 Mar 86 p 8

[Commentary by Carlos Cardoso: "Legitimate Reason to Doubt"]

[Text] It is the United States' intention to take an active part in bringing about peace in Southern Africa in general and in achieving prosperity and progress in Mozambique. This is what Frank Wisner, Deputy Assistant Secretary of State for African Affairs, said in Maputo last Wednesday. Noble words, no doubt--words that Mozambique has always wanted to see implemented by the United States.

We don't need to go as far back into the past as 1962 and 1965, when Eduardo Mondlane appealed to the United States--regularly, not only occasionally--to support the Mozambican people in their struggle against Portuguese colonialism. There are more recent examples, one of them very recent indeed.

President Reagan has verbally denounced the systematic violations of the Nkomati Accord by South Africa, and Secretary of State George Shultz reiterated those views about a week ago. But what effect have the verbal condemnations by the United States had so far on the internal and regional practices of apartheid, since its words are not accompanied by concrete action?

What concrete actions? A very clear one would be to support Mozambique in military terms so that it can defend itself against South African aggression, which the Reagan administration itself has publicly acknowledged exists.

After independence, the RPM--both during the Rhodesian aggression and during the undeclared war waged by Pretoria directly and via its armed bandits--made the same requests as Mondlane had made.

The U.S. side declares that Congress would never permit the White House to furnish substantial amounts of military aid to Mozambique. Recent U.S. practice leads us to ask why President Reagan doesn't send such aid through secret channels.

That would be a clear and unequivocal gesture that would greatly contribute to Mozambican belief in U.S. good will. Until then, we have every reason to expect eloquent statements from the United States but systematic support to South Africa in practice. The future will tell whether U.S. leaders made the best choice.

These feelings of doubt and mistrust increase when we think of Savimbi's recent visit to the United States. One question worries anyone who has the interests of Southern Africa at heart, and that is: How is the United States going to deliver the weapons and ammunition to UNITA?

Zaire has already said that it won't get involved in that activity. Zambia, another country that borders on Angola, is a Frontline State and nothing leads us to believe that its leaders are interested in destabilizing the legitimate government of Angola.

Therefore, all that has to happen is for the United States to supply UNITA via South Africa, involving Namibia in this activity, and it will have effectively contributed to continuation of South African colonization of a territory that Washington says it wants to see independent.

It makes no sense to continue to try to assume the role of mediator in the Namibian issue; it makes no sense to declare intentions of peace in the western part of this zone while, at the same time, introducing--through support to UNITA--a new and significant element of violence in Angola and in the region.

There is no logic in this--not morally, nor politically, nor in practical terms. And this is not an historic case of "writing law with crooked lines." With its support of UNITA, the United States puts itself squarely on the side of Pretoria and loses its political credibility in this region and in Africa as a whole. So it is legitimate for the Mozambicans to believe that the fact that the United States is so clearly on Pretoria's side in matter of Angola cannot help but set a precedent for the Mozambican case.

And the absence of any energetic action by Washington against the armed bandits and against Pretoria in this case leads us to wonder whether the United States might be refraining from acting exactly because a continuation of South Africa's criminal military pressure against the Mozambican people and its government is in the U.S. interest?

We repeat: the future will tell whether Washington's choice in this matter was the best choice, even from the point of view of its long-term interests. And perhaps we have already reached a point where Washington's European allies are unwilling to pass up the chance to go through the open door that, in the absence of the U.S., could lead them into permanent ties to the future of this region.

12830/12795

CSO: 3442/178

MOZAMBIQUE

ASSEMBLY DISCUSSES SOFALA SITUATION

Maputo NOTICIAS in Portuguese 14 Mar 86 p 1

[Text] The Sofala Provincial Assembly began its 13th work session yesterday in the city of Beira. The purpose of the meeting is to evaluate last year's activities at the provincial, city, and district government levels, as well as the assembly's activities since it was established in 1977. The activities of the District Assemblies of the city of Beira and other towns since the last elections in 1980 will also be evaluated.

According to the agenda, there will be an evaluation of last year's annual report on the activities of the Provincial People's Court of Sofala. The President of the Assembly and Sofala leader Marcelino dos Santos presided over the opening session. There are 64 representatives and members of the Central Committee attending the assembly, in addition to representatives of the diplomatic corps and other guests.

The session is expected to end on March 18.

In his speech about organizing the population to fight armed bandits and hunger, the Sofala leader noted increasingly popular adherence to the main war-time tasks and the struggle against hunger and the lack of clothing.

"We see the great effort forming for organizing the Armed Forces, military instruction centers and troop barracks. The task of combining these efforts with production is developing well in our province," said Marcelino dos Santos.

The president of the Provincial Assembly also said that Sofala has steadily advanced in its effort to successfully organize a front against the imperialist war, which has its main base in South Africa.

"Feeling dissatisfied, imperialism--in the guise of armed bandits--has been trying desperately and suicidally to increase its criminal actions against the people. It has tried to smother our economic development programs, some of which are linked to the SADCC. This has created hunger and degraded the people's living conditions," noted Marcelino dos Santos.

Local Production is Insignificant

During the presentation of the report on the activities carried out last year by the provincial, city and district governments, it was noted that the results were not satisfactory. Especially singled out as unsatisfactory were agricultural production, marketing to the family sector, industrial production, fresh and dried fish production as well as semicommercial fishing, and water and land transport of passengers and cargo.

The report also notes that government action in the economic sector in 1985 was concentrated on the central economic units. These central units play a great role in the nation's economy because they resolve the fundamental supply problems of the people in the Sofala province, the central region, and other parts of the country as well as accounting for a large part of the country's exports.

The main actions of the Sofala government focused on organizing the war-time economy and a more profound examination of its implications, and on a grain production program for the city of Beira using irrigation techniques.

The organization of an export program and the creation of alternatives designed to overcome interruptions caused by sabotage against the electric power lines were among the other actions carried out last year.

12987/12795

CSO: 3442/173

MOZAMBIQUE

PARTY MEMBERS, ASSEMBLY DISCUSS POLITBURO COMMUNIQUE

Maputo NOTICIAS in Portuguese 14 Mar 86 p 1

[Text] Party militants and representatives of the Maputo City Assembly gathered last Wednesday to study the Political Bureau communique. The meeting was considered to be a step toward obtaining likemindedness and finding ways of implementing the important decisions contained in the document, and the participants committed themselves to make the communique into a tool for action.

Cristina Tembe, member of the Central Committee and Secretary of the Mozambican Women's Organization in Maputo, presided over the meeting. Also in attendance were Alberto Massavanhane, president of the Executive Council of the City of Maputo, Felix Amane, the Port's Political Commissioner, and other Party authorities at the local level.

In the proceedings, the participants acknowledged that the document is a tool for action, since it epitomizes the main problems that hamper the country's social and economic development.

At the party level, the participants recognized the weak and inefficient action taken by the Party in its role of directing the country's government.

"The Party is sick. In order to cure it we have to treat it like an epidemic: we must undertake rebuilding campaigns. However, the disease continues: the cells remain dormant," said one of the participants.

According to another participant, the power and action of the Party were notable between 1978 and 1982. The transfer of certain leaders to other responsibilities, however, noticeably debilitated the positive work effort. Problems developed because the new leaders could not or did not want to take advantage of the experience of their predecessors.

"It is necessary that the party recapture the momentum that was its trademark when it was still a liberation movement: give praise where praise is due, and punishment where it's necessary," observed yet another participant.

Firm and Clear

Another militant asked permission to speak and urged the participants to be firm and clear when communicating the decisions of the Party's Political Bureau

to the party base, "to avoid making this communique into just another document that is studied and publicized without having its conclusions implemented."

Addressing the issue of Party staff education, the same militant expressed his dismay over the fact that a large number of these students, who graduated overseas at the sacrifice of the people, have become outcasts and many of them now follow the illegal paths of smuggling and other social evils.

Speaking on the same subject, another militant called attention to the fact that the Party's Central School is not fully utilized. In many cases the school operates below its potential, primarily due to organizational problems.

On economic and social fronts, there was also discussion on issues related to the poor supply situation of consumer cooperatives, which have not been receiving goods in the quantities determined by law.

According to another participant, the Ministry of Education's directive calling for communities to build classrooms along side existing schools in order to overcome the shortage of classrooms was accomplished in Urban District 7.

Nevertheless, purely bureaucratic obstacles have hindered full utilization of these classrooms. Some of the people in charge say they are still waiting for orders to use them.

"These negative attitudes have been the cause of frustration for many elements of the population," added the same participant.

At the conclusion of the meeting, Cristina Tembe urged the participants to turn the Political Bureau communique into a tool for action. Ms Tembe then ordered that study of the document be extended to the home and the workplace, to make the content fully known at the grass roots level.

12987/12795

CSO: 3442/173

MOZAMBIQUE

STOCKHOLM: SITE OF DIPLOMATIC MARATHON

Maputo NOTICIAS in Portuguese 18 Mar 86 p 1

[Article by Fernando Goncalves and Photos by Alfredo Mueche, AIM Correspondents:
"Various Meetings held by President Samora Machel"]

[Text] Official funeral rites for the former leader of the Swedish government, Olof Palme, were arranged so that it would be possible for the heads of the delegations to establish bilateral or multilateral contacts. President Samora Machel, who headed Mozambique's delegation to the funeral, took the occasion to meet with many statesmen. The most important among those meetings was a summit of the Front Line States, in which he took part. The summit was held in the Swedish capital.

President Samora Machel held talks with many foreign statesmen, particularly the Front Line leaders who were in Sweden, such as President Bernardo Vieira of Guinea-Bissau, and also President Daniel Ortega of Nicaragua, Mario Soares of Portugal, Jerry Rawlings of Ghana, and Cuban Vice President, Carlos Rafael Rodriguez.

One Front Line meeting was held in the evening, shortly before President Samora Machel left on his return trip to Maputo. Several leaders took part in this meeting, including Zambian President Kenneth Kaunda who is also the group's president, Quett Masire, president of Botswana, CCM's (Chama Cha Mapinduzi) leader Julius Nyerere, as well as Prime Minister Robert Mugabe and the Angolan Foreign Affairs Minister.

According to a spokesman for the Mozambican president, the six politicians analyzed the latest initiatives currently under way in the region, particularly those from the United States. The same source added that the six Front Line states repeated their condemnation of the welcome extended by the United States to the Angolan puppet group UNITA, terming the act as "an element that contributes to the escalation of the war and violence in South Africa."

During the meeting with Mario Soares, the two statesmen analyzed some of the issues which "hinder" full relations between Portugal and Mozambique. Specifically, Samora Machel and Mario Soares discussed the subject of the continuing activities of the armed bandits who use Portugal as a base from which to plan and conduct subversive activities against Mozambique. The Mozambican

leader took the opportunity--described by a close source as very friendly and moving--to personally congratulate Mario Soares for his election as President of the Portuguese Republic. Soares reiterated that not only himself, but the government of prime-minister Cavaco Silva are "deeply committed" to the development of friendly relations and cooperation with Mozambique. The foreign minister of Portugal, Pires de Miranda, was also present during the meeting.

During his meeting with Nicaraguan President Daniel Ortega, President Machel provided an overview of the current situation in South Africa; Ortega did the same regarding Central America. Samora Machel reiterated his support of Managua's initiatives as "the best road to peace" in the region.

In addition to providing mutual support in their respective countries for the revolutionary process and the struggle against a common strategy of aggression, the two leaders acknowledged the importance of the upcoming summit meeting of Nonaligned Countries, which will take place in Harare, Zimbabwe, in August.

The meetings were brief, since the delegation heads did not have too much time available.

President Bernardo Vieira, of Guinea-Bissau, briefed his Mozambican counterpart on the present political situation in his country. Last November officials in Guinea-Bissau thwarted an attempted coup. Both presidents emphasized collaboration and solidarity among the five Portuguese-speaking African countries (Angola, Cape Verde, Guinea-Bissau, Mozambique and S. Tome and Principe).

At the meeting with President Jerry Rawlings, of Ghana, the two statesmen reiterated the Mozambican-Ghana solidarity in what was described as a "cordial" meeting.

President Samora Machel also met the Cuban Vice President, and both reviewed the cooperation between the two countries. Samora Machel sent his congratulations to president Fidel Castro for his reelection as Secretary-General of the Cuban Communist Party, during the III Congress in January.

While in Stockholm, the President also held his first meeting with Johannesburg Anglican Bishop Desmond Tutu. The 1984 Nobel Peace Prize winner is a renowned personality in South Africa because of his role in the peaceful struggle against apartheid inside South Africa. President Samora Machel was quoted as saying that Desmond Tutu is a man of great courage, who struggles in the midst of apartheid for freedom, democracy and justice.

Also present at the meeting were the leader of the United Democratic Front (UDF), Allan Boesak, who for the second time met with the Mozambican Chief of State Samora Machel and the president of ANC, Oliver Tambo. President Samora Machel and Allan Boesak met again with great feeling, and both remembered their first time together in Maputo, in March of 1985.

Later, President Samora Machel met SWAPO's president Sam Nujoma. They discussed the issue of independence for Namibia, taking into account the latest developments.

12987/12795
CSO: 3442/173

29 May 1986

MOZAMBIQUE

FISHERMEN REFUSE TO SELL FISH TO PESCOM

Maputo NOTICIAS in Portuguese 11 Mar 86 p 3

[Text] Last year, several fishing companies in the city of Pemba did not comply with the terms of the contracts signed with PESCOM for delivering fish. The issue is highly controversial, according to reports presented during a recent meeting of the Internal Commerce Coordinating Board. While PESCOM accuses the companies of not fulfilling the terms of the contract in order to charge exorbitant prices, the companies say that the price paid by PESCOM does not cover the costs incurred.

As a result of this, PESCOM's office in Pemba was only able to market 272 tons of fish last year, instead of the 500 tons projected under the plan. According to PESCOM's representative, the monthly average volume was a little over 23 tons, instead of the 40 originally planned.

However, PESCOM's provincial representative, speaking at the Internal Commerce Coordinating Board, said that failure to reach the objectives was not only due to the companies' rejection of its prices, but also to a lower rate of fish caught.

The fishing compound of Ibo, for example, should have delivered 85 tons of various kinds of fish, according to the contract signed with PESCOM--but only marketed 19 tons. There are certain indications that a great part of the fish caught was marketed directly to the consumer.

In Mocimboa da Praia, source of most of the quality fish caught by private fishermen and craftsmen of Pemba Bay for the N'guri purchase post, the fish caught was also sold directly to the consumer.

In light of its current difficulties and with the possibility that the problem might become worse, PESCOM intends to open a store later in the year to make some products available to those fishermen who supply the fish caught. These products include corn, dry cassava and "mapira."

12987/12795

CSO: 3442/173

MOZAMBIQUE

CHIMOIO EXPERIMENTS WITH SUBDIVISIONS

Maputo NOTICIAS in Portuguese 11 Mar 86 p 3

[Text] The first part of the project for subdividing Chimoio, capital of Manica province, was begun last April with the creation of three Urban Sites. A total of 31 neighborhoods are already affected by the process. Arisone Jemuze Greia, secretary of the Party's Organizing District Committee, declared that Nhamadjessa, Eduardo Mondlane District and Textafrika People's District are Urban Sites 1, 2 and 3, respectively. It has been reported that, until recently, US-2 was not in operation because an administrator had not been appointed. The other two went into operation soon after they were established.

The idea for subdividing Chimoio into Urban Sites grew objectively in order to achieve greater effectiveness in controlling the city itself, whether by Party or governmental structures.

Party-government sources contacted by our reporters in Chimoio maintain that the city's subdivision into Urban Sites will not only serve to control the population, but will also facilitate the Party's support of the base structures which have operational difficulties.

Furthermore, the subdivision will represent a convenience for peasants and suburban residents because they will no longer have to go downtown for matters such as tax and license payments. The appropriate departments will operate in the Urban Sites.

Arisone Greia stated, "Later this year, at the Party level, we intend to create Site Committees to reduce the volume of party-related work now being generated by administrators." Greia pointed out that the government's main concern now is to develop the infrastructure and, eventually, to appoint the administrator for US-2.

In developing the infrastructure, specifically of schools, health centers and other cultural, social and political centers, wherever they are required, there is the problem of a shortage of building materials. According to the same source, this shortage may be an obstacle to carrying out the plans as scheduled.

He admitted that it is possible that the plan might be extended to cover the entire city in the near future, if the experiment yields positive results. The Secretary emphasized that "it is not in our best interest to follow this direction all the way and then have to deal later with structural and operational problems."

12987/12795

CSO: 3442/173

MOZAMBIQUE

NAVY DISCUSSES PLANS FOR NEXT 5 YEARS

Maputo NOTICIAS in Portuguese 11 Mar 86 p 1

[Text] The second National Meeting of the Navy, in session since last week in the city of Pemba, was to adjourn yesterday. Lt Gen Pedro Odalahh is presiding over the meeting, the basic purpose of which is to plan the activities for the next 5 years with a view to developing this sector of the Mozambican military.

Lt Gen Odalahh said in his brief keynote speech that the meeting should first analyse the results of programs decided on at the previous meeting in Maputo and correct some of the mistakes that were made. In fact, groups did meet on the second day of the conference to discuss the reports that had been submitted by the naval bases as points of departure for arriving at the 5-year plan.

Some problems that affect the Navy to a certain extent, especially logistical difficulties, were on the meeting agenda. Also to be scheduled are foreign and domestic training programs for middle-level Navy officers.

Participating in the meeting were personnel from Navy headquarters, commanders and other officers from navy bases and sub-bases throughout the country, and other guests connected with the sector.

As announced on the occasion, the meeting will end with the inauguration of a Navy school in the capital of Cabo Delgado Province. The school will train middle-level officers for navy vessels that guard our territorial waters.

12830/12795
CSO: 3442/178

MOZAMBIQUE

BRIEFS

NORAD DIRECTOR IN MAPUTO--Nils Vogt, Director of the Norwegian Agency for International Development (NORAD), arrived in Maputo early in the evening yesterday for a working visit. Nils Vogt told NOTICIAS that he is visiting Mozambique to discuss the Norwegian aid program with local officials. The program consists of preparing a utilization plan for the total amount Norway has available for development. In this regard, Vogt added that the Norwegian economic assistance to Mozambique during the current year will exceed \$20 million. The documents related to granting this amount will be signed during this visit. The Director said that the amount budgeted by the Norwegian Parliament for economic assistance to Mozambique during this year is to be spent on energy implementation, sea transportation and fishing projects, as well as on a program to fight tuberculosis and other assistance. With regard to sea transportation, Vogt added that aid will be given to the Naval School and for supporting NAVIQUE activities. Nils Vogt will meet today with Minister of Industry and Energy Antonio Branco. There are other meetings scheduled. The Norwegian visitor was welcomed by Antonio Sumbane, secretary of state for international cooperation, and by Arthur K. Sydnes, NORAD representative in Mozambique. [Text] [Maputo NOTICIAS in Portuguese 12 Mar 86 p 8] 12987/12795

ARTESIAN WELL FOR NAMPULA--During the last week of February the Nampula Mineral Resources completed the sinking of a 50-meter artesian well at the Poligono barracks. When flow analyses are completed, the company will forward the results to GEOMOC, who is responsible for installing the pump, so that the work can be performed according to the well's capacity. After installation, Mineral Resources technicians explained to barracks personnel how to use the well for optimum performance. The experts expressed their assurances that the flow of the well is enough to supply the needs of the barracks. Drilling foreman Joao Zacarias Sondo, shown in the picture, said it was a difficult work because the water concentration was in a rocky zone. He also explained that the engineers used geophysical methods in order to determine the location of greater water concentration. [Text] [Maputo NOTICIAS in Portuguese 11 Mar 86 p 3] 12987/12795

INVESTMENT PROTOCOL SIGNED--An additional cooperation agreement was signed yesterday in Maputo by the Office of Foreign Investment Promotion and the Friedrich Ebert Foundation. The document was signed by the Office of Foreign Investment Promotion and deputy finance minister, Dr Eneas Comiche, and by the

permanent representative of the Friederich Ebert Foundation, Dr Erfried Adam. The ceremony also included the formal delivery of office equipment, such as typewriters, copiers, and calculators, etc. This was considered the first concrete act of cooperation. For 1986, the agreement also calls for cooperation in professional and vocational training through funding and organizing seminars and scholarships, as well as using experts to provide investment studies and technical assistance. [Text] [Maputo NOTICIAS in Portuguese 13 Mar 86 p 1] 12987/12795

CSO: 3442/173

NAMIBIA

SEVEN SWAPO MEMBERS SENTENCED FOR TERRORISM

MB071004 Johannesburg SAPA in English 1002 GMT 7 May 86

/Text/ Windhoek, 7 May, SAPA--Seven SWAPO members were sentenced today to a total of 85 years in jail after being convicted by the Windhoek Supreme Court in terms of the Terrorism Act.

They are Frans Angula, 28, (16 years); Norbert Ankome, 25, (14 years); Elkan Simon, 21 (14 years); Bernardinus Shikongo, 41, (5 years); Desiderius Ankome, 26, (12 years); Erastus Utoni, 28, (12 years); and Vilho Kasilulu, 22, (12 years).

The court found that Angula, Ankome, and Simon were trained members of SWAPO's armed wing who had recruited the others inside SWA/Namibia as collaborators in acts of sabotage.

Intense public interest, particularly among SWAPO supporters, was apparent throughout the trial and strict security measures were in evidence at the court.

Shortly after the court adjourned, a scuffle broke out in the dock when one of the accused grabbed a policeman by the throat.

The convicted men were apparently lingering in the dock to say goodbye to family and friends, while the policeman, wearing a camouflage uniform, was urging them to go downstairs to the cells below the court.

Other policemen tried to keep the public away from the court well amid black power salutes and shouts of "SWAPO" and "You have already punished them. Give us back our country."

When sentences were passed, whistles and hisses were heard from the public gallery.

In a lengthy preamble to sentence, Mr Justice Johan Staydom said it was clear the first three accused had taken a leading role in various acts of sabotage, including the planting of a landmine, the bombing of a soft-drink factory and a meat-processing plant, and the planting of a limpet mine on the railway line outside Windhoek.

They had also issued orders to the others to blow up buses carrying mostly white government workers between Ondangwa and Oshikati in northern SWA/Namibia.

The three had received military training in Angola, they had returned at various times to SWAPO bases in Angola for further instruction, and had brought back with them arms and explosives for stashing in SWA/Namibia.

According to evidence, Mr Justice Straydom said, Shikongo had been a reluctant participant.

Shikongo was deeply religious and had a leading position in the Roman Catholic Church whose support of SWAPO, according to evidence, had made him sympathetic to the organization.

At one stage, Shikongo had been issued a landmine by an insurgent, but he decided against using it.

At the insistence of Angola, he had suggested a spot for placing a landmine where only police armored casspir vehicles were passing.

Shikongo was much older than the others and for all those combined reasons, his sentences would have to be different.

Mr Justice Straydom said they were all first offenders who had been motivated by politics and not personal gain, but the legislature took a stern view of acts of terrorism.

Penal factors such as rehabilitation and deterrence would not have much influence on "hardened and trained combatants" but would still serve to restrain others from letting themselves be recruited by SWAPO's armed wing.

The court would not exercise its discretion to impose the death sentence, Mr Justice Straydom said.

Nevertheless, "the crimes committed by the accused could lead to chaos and bloodshed," and the court had a duty to protect society, he added.

/12228

CSO: 3400/1648

NAMIBIA

LAWYER COMMENTS ON POSSIBLE AGREEMENT ON CUBAN REPATRIATION

MB301857 Johannesburg SAPA in English 1653 GMT 30 Apr 86

/Text/ Windhoek, 30 Apr, SAPA--There was no reason that agreement could not be reached on the repatriation of Cuban Armed Forces from Angola, a senior SWA/Namibian advocate, Mr Bryan Olinn, told a conference of political parties in Windhoek.

The 2-day conference convened by the Council of Churches in Namibia is scheduled to end today.

The parties and organizations attending are in favor of unconditional implementation of UN Security Council Resolution 435 (1978), concerning SWA/Namibian independence.

The conference includes representatives of SWAPO, the Damara Council, the Christian Democratic Action for Social Justice--a leftwing SWA National Union Grouping, the Namibian Independence Party, Mbanderu Council and the Namibian National Students Organization.

Mr Olinn told the conference that South Africa had reiterated its commitment to the UN settlement plan, provided only that firm agreement could be reached beforehand and a Cuban withdrawal from Angola.

"It does not insist on agreement between itself and the MPLA Government (of Angola), but a reliable commitment" from Angola to a power such as the United States that the Cubans would go home.

Mr Olinn said the Angolan Government, while formally rejecting linkage between SWA/Namibian independence and a Cuban withdrawal, had "put forward its own brand of linkage."

The Angolan position was that if South Africa implemented UN Resolution 435 and stopped material and logistical support for the Angolan rebel movement, UNITA, Angola would let the Cubans go.

If the settlement plan was implemented, South Africa would find it impossible to give the same aid to UNITA as in the past.

"If there is any substance in MPLA arguments in the past that the Cuban military presence is necessary because of the threat posed by South Africa, then what prevents an agreement to let the Cubans go?" Mr Olinn asked.

If the MPLA government could not and would not manage without the Cubans once the UN settlement plan had been implemented in SWA/Namibia, "one will be forced to conclude that it (the MPLA) needs the Cubans not to repel an aggressor, but to subjugate its own people with the aid of external forces.

"And that will be a sad reflection on that government."

Mr Olinn said South Africa professed to strive toward accommodation and a way of living with Frelimo in Mozambique, the MPLA in Angola, all the African frontline states and even the Organization of African Unity.

"If South African can suddenly live with Frelimo, why not then with a government elected by Namibians in terms of Resolution 435, to which South Africa has previously agreed and professes still to agree," he added.

/12228

CSO: 3400/1648

NAMIBIA

DTA DISCLOSES BLUEPRINT FOR GOVERNMENT

MB080907 Johannesburg THE STAR in English 7 May 86 p 9

/Text/ Windhoek--The Democratic Turnhalle Alliance (DTA) has disclosed its blueprint for a future Namibia--a plan that envisages a senate, national assembly and provincial governors for six provinces.

The alliance--made up of six parties--has announced that details of the plan still have to be finalized before it is presented to the Committee on National Unity.

The committee is drawing up proposals for a future political dispensation in the territory.

The DTA plan calls for:

- One man, one vote elections.
- A 60-member National Assembly chosen in such elections.
- A similar sized Senate.
- The election of district or provincial governors by the people in the various areas.
- The establishment of provincial or district assemblies, or councils.

The alliance was committed to a system of decentralization within the framework of a unitary state apparatus, said the statement.

Strong central government would be a feature of the DTA proposal.

The South African-appointed Multiparty Conference (MPC) government in Windhoek has said it wishes to bring in a new political system to replace the present proclamation which divides the country up into various "ethnic" units.

A proposal to divide the territory into six provinces along geographic lines is being tipped as the replacement for the apparatus of apartheid. However, there have already been rumblings of discontent on the issue from the National Party of South West Africa, which wants assurances that the sensitive areas of health and education will not be tampered with in the new system.

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CSO: 3400/1648

NAMIBIA

CONFERENCE ON UN RESOLUTION IMPLEMENTATION HELD

MB292115 Johannesburg SAPA in English 1436 GMT 29 Apr 86

/Text/ Windhoek, 29 Apr, SAPA--The identities of political groups should become secondary to the quest for internationally recognized SWA/Namibian independence in terms of UN Security Council Resolution 435, the editor of the SWA/Namibia newspaper, Miss Gwen Lister, said in Windhoek today.

She was addressing a conference of political parties which favor unconditional implementation of the UN resolution.

Parties and organizations attending the 2-day closed conference, which began today under the auspices of the Council of Churches in Namibia, include SWAPO, the Damara Council, a leftwing SWA National Union Group, the Mbanderu Council, the Christian Democratic Action for Social Justice and the Namibian Independence Party.

Party spokesmen said the main purpose of the meeting was to work out a combined strategy to secure early implementation of UN Resolution 435.

Miss Lister said in that similar efforts in the past, particularly in the seventies, by anti-South African parties had failed because of "personality, political and strategic differences."

After the Lusaka talks on SWA/NAMIBIA in 1984, the seeds of unity and cooperation among political parties aligned with SWAPO were planted once again but failed to take root.

SWA/Namibia in 1986 was further away from an internationally recognized peace settlement than ever before and there were signs that the territory's transitional government, encouraged by South Africa and the United States, was set on "a course of an internal settlement," she said.

If the mistakes of the past, including tribalism and political rivalry, were to be avoided there should be some form of united action.

"All the opposition parties are capable of a much more decisive role than they at present adopt, and this includes the Council of Churches," Miss Lister said.

"Priorities need to be clearly established if the search for a settlement in terms of Resolution 435 is to gather momentum.

"Personality and other conflicts need to be set aside in the national interest.

"The aim should be to bring the people of this country to self-determination, which hopefully lead to the type of independence which would be truly Africa's first success story."

Miss Lister said a major task ahead was the mobilization of the people of SWA/Namibia, "the majority of whom seem to have adopted a passive, at times even apathetic stance toward independence, because of the failed promises of the past."

She added "while everyone is aware that Resolution 435 is not flawless, it is the only settlement plan on the table, and renegotiation for Namibian independence will only serve to postpone self-determination for another few years."

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CS0: 3400/1648

NAMIBIA

BRIEFS

SPOKESMAN COMMENTS ON REFUGEES' ARRIVAL--A foreign boat with 76 men on board arrived at the Namibian port of Walvis Bay yesterday. A spokesman for the South African Home Affairs Department says the men, from Sao Tome in west Africa, have been at sea for 12 days, and have been without food and water for the last 5 days of the journey. The spokesman says details of their flight from Sao Tome are not yet clear, because only the leader of the group could speak a little English. He says the 76 may be refugees seeking political asylum in Namibia. /Text/ /Umtata Capital Radio in English 1300 GMT 1 May 86 MB/ 12228

MINISTER ASKS NAME CHANGE--Windhoek, 1 May, SAPA--SWA/Namibia should be officially renamed Namibia, the minister of national health in the transitional cabinet, Mr Moses Katjiuongua, told a political meeting at Ketmanshoop. He said he would submit a proposal for the name change to a Committee of National Unity of the National Assembly, which is assigned with the drafting of a new administrative structure for the territory. "Let us accept the inevitable in good time," Mr Katjiuongua said. "Namibia is going to be the name of a free and independent South-West Africa." Officially the name of the territory derives from the South-West-Africa Constitution Act, but at the now defunct Turnhalle Constitutional Conference in the mid-seventies it was decided to refer to the territory in the interim period before independence as South-West Africa/Namibia. SWAPO is generally credited with naming the territory Namibia, after the Namib desert along the west coast of the territory. Most foreign media and international agencies refer to the country as "Namibia" only, but inside the country news media use the one or the other term. Yet others use the combined name for the territory. /Text/ /Johannesburg SAPA in English 1214 GMT 1 May 86 MB/ 12228

CSO: 3400/1648

NIGERIA

GOVERNMENT GETS 90-DAY DEBT MORATORIUM

Kano THE TRIUMPH in English 4 Apr 86 pp 1, 16

[Text] NIGERIA'S creditor banks have agreed to a 90-day moratorium on repayment of principal before negotiations on a rescheduling begin, banking and diplomatic sources said in Lagos yesterday.

The moratorium, to July 1, will allow Nigeria to hold off paying the interest on its seven billion dollar debt while negotiations start on its rescheduling.

The 20 creditor banks, part of what is informally called the Club of London, are expected to press for a devaluation of the currency, the Naira, and a liberalisation of trade.

The moratorium was agreed after a meeting in London last week between 20 banks and a Nigerian delegation headed by Finance Minister Okongwu.

Negotiations have yet to start with creditor governments (the Club of Paris) to which Nigeria owes six to seven billion dollars.

These creditors are insisting that Nigeria reach an agreement with the International Monetary Fund, which Nigeria has rejected before they reschedule the debt.

/13104
CSO: 3400/1628

NIGERIA

HIGH URBAN UNEMPLOYMENT IN SEVEN STATES

Lagos DAILY TIMES in English 3 Apr 86 p 2

[Text] Seven states in the country had high urban unemployment rates while four others recorded low rates between June and December last year.

These facts were contained in the statistical news published from the Federal Office of Statistics Lagos.

The states with high urban unemployment rates according to the statistical news, are Anambra 21.5 per cent; Imo - 17.1 per cent. Cross River 17.8 per cent; Plateau 16.4 per cent and Bendel 15.4 per cent. Also with high rate are Borno - 10.6 per cent; and Ondo 10.6 per cent.

The states with low urban rates of unemployment are Kwara - 2.4 per cent, Niger - 3.3 per cent, Bauchi - 3.6 per cent and Ogun 3.9 per cent.

In the rural areas, states that recorded high rates of unemployed were Imo - 16.4 per cent; Cross River - 15.6 per cent and Anambra - 10.9 per cent. Oyo, Niger and Bauchi states, however reported no unemployment, the publication disclosed.

The statistical news highlighted that the bulk of the unemployed were secondary school leavers with 62 per cent in the urban, and 36.8 percent in the rural areas.

According to the statistical news, the major objective of the survey was to measure the level and distribution of unemployment.

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CSO: 3400/1628

NIGERIA

AD HOC UNEMPLOYMENT PANEL INAUGURATED

Enugu DAILY STAR in English 4 Apr 86 p 16

[Text] The Minister of Employment, Labour and Productivity, Rear Admiral Patrick Koshoni has in Lagos inaugurated a 27-man ad-hoc committee set up to work out strategies for dealing with mass unemployment in the country.

The committee members include representatives from the 19 states of the federation and Abuja, the Federal Ministries of National Planning, Labour and Youth, Sports and Culture.

Members are also drawn from the Nigeria Labour Congress (NLC) and Nigeria Employers Consultative Association (NECA).

The committee is charged with the responsibility to examine the existing services and programmes of the labour ministry as contained in its working papers and to make recommendations for long term measures aimed at removing the root causes of unemployment and to establish "necessary institutional framework for analysing and dealing expeditiously with unemployment problems as they arise".

The committee is expected to work out "viable proposals for programmes of action which could be put into immediate effect for reducing the present high level of unemployment, especially those of the school leavers".

Addressing the opening session, the minister said that the federal government was determined to promote full employment and "to reduce under-employment in all sectors of the economy through active employment-creation programmes, the progressive removal of the main causes of unemployment through appropriate industrial, fiscal and monetary policies."

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CSO: 3400/1628

NIGERIA

UKIWE DISCUSSES FOREIGN EXCHANGE FLOW

Kaduna NEW NIGERIAN in English 3 Apr 86 p 1

[Article by Nkem Agetua and Omafume Amurun]

[Text]

FOREIGN exchange expenditure budget pegged at 8/5 billion Naira in 1985 was exceeded by 2.224 billion Naira or 26.2 per cent, Chief of General Staff, Commodore Ebitu Ukiwe, has said.

Briefing newsmen in Lagos yesterday, Commodore Ukiwe said the back-log of foreign exchange approvals rose from 5,443.4 million Naira at the end of 1984 to 6,164.3 million Naira at the end of 1985, an increase of 720.9 million Naira.

He said however, that the country's total foreign exchange inflow exceeded outflow in December 1985, resulting in a net inflow of 61.9 million Naira.

The Chief of General

Staff said the external reserves increased from 1,236.5 million Naira at the end of November to 1,298.4 million Naira at the end of December 1985.

Commodore Ukiwe said compared with the end of 1984 level, the reserves were higher by 201.6 million Naira and that even at the increased level, the reserves would hardly sustain one month's foreign exchange commitments at the prevailing rate of disbursement as against the conventional minimum of four months' imports bills.

He said of the total inflow of 10,926.1 million Naira in 1985, earnings from oil sector accounted for 10,082.9 million Naira or 92.3 per cent, representing an increase of 1.4 percentage points over its proportional share in 1984.

The Chief of General Staff added that aggregate disbursement amounted to 10,724.5 million Naira exceeding the 1984 level by 1,815.7 million Naira or 20.4 per cent.

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CSO: 3400/1628

NIGERIA

FRG FIRMS RESOLVED TO RIDE OUT HARD TIMES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 21 Apr 86 p 14

[Article by Carola Kaps: "Nigeria: Hard Times for German Firms; Catastrophic Shortage of Foreign Exchange; A Great Deal of Construction Continues"]

[Excerpt] For foreign firms, which are numerous in Nigeria, the question arises whether the involvement continues to be worth the trouble or whether the insecurity and the financial crisis in light of the present situation appear to make withdrawal from Nigeria more advisable. The FRG is in second place behind Great Britain as regards direct investments. Of the more than 150 German firms represented in Nigeria, most advocate riding out the situation, holding out in the hard times and keeping a foothold in the door to the big, interesting Nigerian market with its more than 100 million people. For some of them--such as Volkswagen and Mercedes--the investments are much too big for them to be able to simply pack up and leave the country. They will "bring down the risks," will avoid big projects and try to "get through the cold season on a small flame," that is the general comment; but the argument that the West must have a long-term political and economic interest in Nigeria and must recognize that Nigeria, on its own initiative, has made considerable efforts to correct the structural imbalance time and again appears in conversation with German business people. Also the statement that Nigeria in good times has clearly proved to have a good payment record and rewards even now the good will of those who have proved to be reliable partners in good times as well as bad, such as the construction firm of Bilfinger-Berger, Dornier and BBC.

Regardless of the confidence in the long-term development potential of the Nigerian market, "expressed with stiff lower lip," most German firms now have real difficulties. Some medium-sized enterprises which are strapped for capital even fight for survival because of the large amount of the receivables. Nigeria's short-term commercial debts, which in the meantime have increased to \$7-8 billion, for the payment of which the country lacks the foreign exchange, are a heavy burden not only for Nigeria itself but also for many of the creditors. In view of the financial crisis--thus a representative of a German firm--the wheat will be separated from the chaff among the foreign firms established in Nigeria.

As far as the German firms are concerned, the selection process has already started; for as recently as 3 years ago more than 200 German firms were present

government who decide on the price controls have only little interest in price decontrol. They receive from the state cheap automobile credits the amount of which approximately corresponds to the car price set by the state. Since those responsible purchase passenger cars and no commercial vehicles, the truck industry is in much better shape. The latter industry is permitted to pass on in full the various excise tax increases, the effects of the exchange rate devaluation and lately also the 30 percent import duty to the price to the ultimate consumer. Therefore, Mercedes works with good profits in Nigeria, while Volkswagen under the double burden of inadequate capacity utilization and controlled prices, has little reason to be happy.

Not only among the German but also among all other foreign investors there are some now who, if they had to decide all over again, would not invest a second time in Nigeria. But for most the statement that Nigeria is simply too big to stand still, that even now in spite of a financial crisis a great deal of money is still invested, big projects continue to run and new ones are being started justifies their continued involvement. Indeed, even now building is going on in Nigeria as in no other country of Black Africa, it seems more active and busier than all other West African neighbors. Nevertheless most German enterprises believe that soon they will no longer be able to get along without active state support, in other words without Hermes guarantees and pledges. There are virtually no other alternatives to overcome the bottleneck, for there are narrow limits even to the oil exchange transactions considered by many firms as a way out. There are--it is said in German industrial circles--already first indications that the closed front of the credit insurance institutions towards Nigeria begins to falter. There are rumors of French firms which, based on the state credit insurance Cofas, are said to have made new business transactions.

12356

CSO: 3420/27

NIGERIA

SAMBO CLAIMS UNITING MUSLIMS MAIN GOAL OF JN1

Kano THE TRIUMPH in English 2 Apr 86 p 2

[Article by Shehu G. Durbunde]

[Text] THE unity of Nigerian Muslims is the main goal of the Jama'at Nasril Islam J.N.I.

This assertion was contained in a paper delivered by the Grand Khadi of the new federal capital territory Abuja, Justice Muhammadu Bashir Sambo while speaking on "the activities of the J.N.I at the Jama'atu College's N13,000,000 appeal fund launching.

The main preoccupation of the group he said was to unite Nigerian Muslims irrespective of their ethnic and geographical backgrounds.

"Anybody who believes in God as the only Deity worthy of worship and that Muhammad is his messenger, becomes an automatic member of the J.N.I."

Justice Bashir Sambo traced the birth of the Zariya branch of the J.N.I. to 1978 when the Youth wing of the organisation requested the body to reorganise

and rejuvenate itself for the benefit of all.

Next to muslim unity Islam education is the main concern of the J.N.I. according to its charter this includes the establishment of schools of different levels to educate and enlighten muslims on their responsibilities.

Towards this goal, the Zariya branch had already established three institutions to cater for muslims. This includes primary and secondary schools for women and Advanced Arabic Studies college for men who are being trained as teachers.

Justice Bashir later called on all Christians to return to Islam which he called their original religion. All followers of Christianity he said have no other religion and prophet but Islam and Muhammad.

He cited verses from the Qu'ran, Bible and other revealed books to support his postulations.

NIGERIA

MINING INVESTMENTS, PRODUCTIVITY IN KANO STATE

Lagos DAILY TIMES in English 7 Apr 86 p 2

[Text]

THE Nigerian Mining Corporation (NMC) has invested N16.5 million on three mining projects in Kano State, it was stated at the week-end.

The investment includes N7.1 million on the Bagauda Brick Works, N2.1 million on the Gano Quarry project at Gano Village, and N7.4 million on the Kiriwai Mines.

Disclosing this to a team of reporters accompanying some officials of the NMC on a tour of mining establishments in the country, the general manager (administration) of the corporation, Mr. Abdu Gidado, said that the brick factory at Bagauda presently had a capacity of producing 20,000,000 normal sized bricks yearly and also that a projected revenue of N1 million for the year 1986 was being anticipated.

The GM explained that apart from providing durable and economical building materials the project

was also aimed at the conservation of the country's scarce foreign exchange.

At the Kiriwai Mines project, work was virtually at a standstill because of the present world economic situation affecting base metals, Mr. Gidado said.

He further stated that consequently, the project had to be placed under "maintenance and care" pending favourable improvement in world market.

Answering reporters' question at the Gano Quarry project, the quarry manager, Alhaji Musa Kiriwai, said that the quarry started production in 1976. He added that with its present production capacity of 750 tonnes of high grade aggregates of various sizes daily, the mining reserve was expected to last another 10 years.

The projected revenue expected for 1986 at the quarry stood at one million naira compared to N905,462 which was earned last year.

/13104
CSO: 3400/1629

NIGERIA

MEAT SHORTAGE; CAMEL REPLACING BEEF

Lagos SUNDAY TIMES in English 6 Apr 86 p 3

[Article by Ndubuisi Okwechime, Afam Ofoedu, and Dupe Adesioye]

[Text]

MORE and more camels go now for the slaughter by butchers to supplement the supply of meat in the country according to a survey conducted by the Sunday Times.

A Sunday Times investigation has revealed that camel which is known as a means of traditional transport in the desert, is now being slaughtered and freely sold in some Lagos markets for human consumption.

At the Ijora market, the Sunday Times physically examined different kinds of meat on sale and discovered camel meat. Camel meat is redder than cattle, sheep, goat or cow meat and hard to bite after cooking.

When Sunday Times contacted the Cattle Dealers Association in Lagos, its chairman was not on hand but a committee member of the association, Alhaji Abba Ali spoke.

He said that there is scarcity of cattle now. He attributed this to the menace of the cattle killer-disease rinderpest and the on going civil war in the Republic of Chad. Alhaji Abba said rinderpest is still killing cattle because doctors complain of lack of vaccines.

According to him, "The civil war has so much affected most of the cattle dealers in Chad that they find it difficult" to bring their cattle from the hinterland to Nigerian markets for sale".

He added that this has also resulted in cat-

tle price increase from about N400 to N1,400.

Talking to the Sunday Times on the issue, Dr. Segun Alabi, a veterinary doctor and principal partner at the Animal Farm (Nig.) Ltd., Ikeja, said there is absolutely nothing wrong with camel meat.

Dr. Segun was responding to the recent fear from the public on the sales of camel meat to consumers in Lagos markets. He said: "All meat are the same. Consumption of, and discriminations against any kind of meat depends on aesthetics and culture".

NIGERIA

SELF-EXILED FORMER COMMERCE MINISTER RETURNS

Kano THE TRIUMPH in English 4 Apr 86 pp 1, 16

[Text]

FORMER Minister for Commerce in deposed President Shehu Shagari's government, Alhaji Bello Maitama Yusuf has come back to the country.

Competent family sources told *The Triumph* in Kano that the former minister returned to the country from London last Monday on a British Caledonian flight.

When our reporter called at his residence in Tarauni quarters of Kano yesterday, he was told that the former minister had travelled to Lagos.

Attempts to get the comments of Immigration officials at the Mallam Aminu Kano International Airport where he was reported to have landed proved abortive as the officials would not grant press interviews.

Alhaji Bello Maitama Yusuf was the first financial secretary of the disbanded National Party of Nigeria

(NPN).

He was appointed the Minister for Internal Affairs after the party won the 1979 presidential elections.

Alhaji Bello was later transferred from the Ministry after the controversial deportation of Shugaba Darman, a leader in the Borno State House of Assembly.

He presided over the Ministry of Commerce which issued import licences that were used to siphon millions of Naira out of the country.

When the military took over in December 1983, Alhaji Bello was outside the country.

Since then, he has not come into the country until last Monday.

/13104

CSO: 3400/1629

NIGERIA

BORNO STATE DROUGHT VICTIMS RECEIVE GRAIN

Kano THE TRIUMPH in English 7 Apr 86 p 2

[Article by Inusa Shehu]

[Text] Drought affected victims in Rann and Kala districts in Ngala local government area of Borno State received 820 bags of assorted grains as relief materials out of the 1,785 bags promised by the government worth ₦100,000.

The grains which were stored at Bama town were last Saturday dispatched to Ngala town and distributed to the drought affected victims.

Speaking to newsmen, the sole administrator, Alhaji Mohammed Abubakar observed that the assistance of the state government will certainly ease the food crisis in the 2 districts.

Meanwhile, the Fika local government chapter of the Borno State education development appeal fund has realised a sum of ₦2 million on the spot in a launching ceremony held at Potiskum town last Saturday.

Donors at the occasion include Alhaji Muhammed Maina Waziri ₦200,000 in addition to a promise for the construction of a water project worth ₦180,000 while Alhaji Usman Goji gave ₦110,000.

Other donors were Alhaji Barau Potiskum ₦100,000 and promised to build an Islamic school worth ₦500,000 and run its affairs for 5 years before handing it over to the state government.

/13104

CSO: 3400/1630

NIGERIA

BAUCHI STATE FACES PROBLEM OF SURPLUS HARVESTS

Kaduna NEW NIGERIAN in English 3 Apr 86 p 16

[Text] BAUCHI state government is now faced with the problem of how to dispose of about 150,000 tonnes of excess grains produced by farmers in the state last year.

Briefing media executives at the weekend in Bauchi on the achievements of the state government, Colonel Chris Abutu Garuba said unless local consumers could buy up the surplus grains, the government might be compelled to press the Federal Government for permission to export them to alleviate the sufferings of the farmers. He said unless farmers were made to believe they could find market for their produce, they might be discouraged in future.

He lamented that Nigerians were hustling for licence to import grains when they were available in abundance in Bauchi State.

Grains available in excess include maize (white and yellow) guinea corn, millet, soya beans, cow-peas and paddy rice. He said it was painful to talk of exporting foodstuffs when unpatriotic Nigerians were hell-bent to import them.

The Governor told the visiting

media executives that farmers in the state produced 350,000 tonnes of excess grains and more than six million Naira was realised from the sales of such grains.

He said about 7,231 tonnes of assorted grains had been purchased by the state Grains Board and other feed millers and explained that 2,800 demonstration farms had been established in different high local government areas of the state to ensure that farmers adopted modern farming methods.

In the area of livestock, the Governor explained that the Gombe Commercial Poultry Production Unit with a bird population of 8,000 hatchery, and a parent stock unit had been reactivated.

The Bauchi State Agricultural Supply Company (BASAC) he said had already provided 212,913 tonnes of fertilizer of pesticides, 9,850 ploughs, 1,670 tonnes of improved seeds and 3,693 hand and mechanised pumps to farmers in the state.

Col. Garuba said that with the 1,312 boreholes and 90 earthwork dams in the state, farmers have started practising dry season farming.

Adequate arrangements, he said, had been made to ensure that access roads were provided to the food producing areas.

/13104
CSO: 3400/1630

NIGERIA

BRIEFS

BUMPER HARVEST CAUSES CONCERN--The large surplus grains and the inability of farmers to sell it is causing serious concern to both the farmers and the Nigerian Grains Board. The situation, it is feared might discourage farmers from farming this coming season because they could not afford to produce grains without ready markets. A NEW NIGERIAN investigation showed that the NGB having seen the good harvest last season, requested for a 500 million Naira loan from the Federal Government to buy surplus grains from the farmers to resell later. The NEW NIGERIAN learnt that with assurance of a loan by the federal government and because of the desire of the farmers to sell, the Board started buying grains with its carry-over fund of six million Naira. The board has so far bought and stored 72 million Naira worth of grains most of it on credit from farmers. The Federal Government guaranteed a loan of only 50 million Naira to the board for which the Central Bank sent in a letter of credit about 10 days ago. The situation is causing serious concern because an additional 40 million Naira worth of grains had been deposited at the various depots of the board by farmers but the board has refused to accept the consignment legally for fear that the money to pay might not be forthcoming. [Text] [Kaduna NEW NIGERIAN in English 2 Apr 86 p 24] [Article by Sani Haruna] /13104

ARMY RECRUITMENT FIGURES--A total of 23,572 men and women were recruited to the Nigerian Army between 1979 and now, Director General of the Directorate of Reserve, Recruitment and Resettlement of the Nigerian Army, Colonel O.Z. Egpekhai has said. [Text] [Kaduna NEW NIGERIAN in English 4 Apr 86 p 9] /13104

CSO: 3400/1632

SAO TOME AND PRINCIPE

PORTUGUESE LOAN TO REPAIR AIRPORT

Lisbon DIARIO DE NOTICIAS in Portuguese 15 Mar 86 p 25

[Text] A loan of 1.6 million contos has been granted to the Republic of Sao Tome and Principe by the Portuguese banking system. The transaction, which involves 10 nationalized banks, will permit the African country to reschedule several earlier loans granted to the Sao Tome Central Bank by Portuguese banks.

Banco Borges & Irmao, Banco Espiritu Santo e Comercial de Lisboa, Banco de Fomento Nacional, Banco Fonsecas & Burnay, Banco Nacional Ultramarino, Banco Pinto & Sotto Mayor, Banco Portugues do Atlantico, Banco Totta & Acores, Credito Predial Portugues, and the Uniao de Bancos Portugueses are participating in the loan, which is guaranteed by the Portuguese government.

With this loan, Sao Tome will be able to pay loans contracted in 1981 and 1984 totaling around \$10 million, which were used to finance imported Portuguese goods and services and in particular to expand the Sao Tome Airport.

In addition to the transaction concluded with these Portuguese banks, the Central Bank of Sao Tome and Principe is also looking for credits from the African Development Fund and other international banking institutions to finance the entire second phase of the Sao Tome Airport expansion project.

Phase 2 includes the construction of a terminal building, an aircraft holding area, a new road and a new technical center with a control tower, as well as the installation of navigational support equipment.

Last week, Sao Tome authorities held a meeting with banking representatives from Lusophone countries, at which the possibility of obtaining new loans, the current financial condition and the economic development outlook for Sao Tome and Principe were discussed.

The meeting, attended by the chairmen of the central banks of Angola, Cape Verde, Guinea-Bissau and Portugal and representatives of several Portuguese banks, concluded with agreement on the need to maintain the current policy of adjustment in order to keep Sao Tome's balance of payment problems and growth of its foreign debt within reasonable limits for the next five years.

8844/12795
CSO: 3442/179

SWAZILAND

SWAZIS SEEN AS DOUBTING RAND

Johannesburg BUSINESS DAY in English 21 Apr 86 p 3

[Article by Chris Cairncross]

[Text] OBSERVERS see the decision of Swaziland and Lesotho to sever close links with the rand as a show of lack of confidence in the currency.

This new arrangement, which terminates the rand's legal status in the countries, comes into operation retroactively from April 1.

Swazi Finance Ministry officials at last Friday's Cape Town signing ceremony, replacing the old Rand Monetary Agreement with a Trilateral Monetary Agreement, stressed it was an "escape mechanism" precipitated by last year's collapse in the exchange value of the rand.

Swazi Finance Minister Barnabas Dlamini confirmed that the excessive devaluation of the rand last year had been a cause of great concern, creating great hardship for consumers and much higher costs in the servicing of Swaziland's debt.

He added that recent events had thrown into focus the fact that "in these turbulent times an independent exchange-rate policy could prove to be a valuable policy instrument".

This new development means that both countries will now be able to float their currencies, removing the "straight-jacket" tying them to the rand in circumstances like those which occurred last year.

Swaziland has also terminated its obligation to earmark a specific part of its exchange reserves for investment in SA stocks to cover its currency issue.

"By removing this obligation, the new agreements will give us greater freedom to manage our foreign exchange reserves," said Dlamini.

It has been stressed that the existing agreements whereby all contracting parties apply similar foreign exchange control measures are maintained.

Preventive measures will also be taken to ensure that any restrictions applied by SA are not circumvented by residents using the other countries as an escape channel.

The management of the gold and foreign exchange reserves of the Common Monetary Area (CMA) is no longer going to be the sole responsibility of SA.

Representatives of the three countries stressed that the new arrangements would not interfere with existing business relations.

/13104

CSO: 3400/1627

ZAIRE

ECONOMIC COOPERATION WITH BULGARIA TO BE STRENGTHENED

ABO22238 Kinshasa AZAP in French 1820 GMT 2 May 86

[Text] Kinshasa, 2 May (AZAP) -- Zaire and Bulgaria, which from 28 April through 2 May held a preparatory meeting within the framework of the second meeting of the joint commission due to take place next June in Sofia (Bulgaria), have decided to strengthen their cooperation in the agricultural, energy and forestry areas, according to a final communique issued on Friday after the meeting.

The two countries were represented on the Zairian side by citizen Lutete Nzau, head of the Eastern Europe Division at the Department of Foreign Affairs, and on the Bulgarian side by Mr Baev, advisor at the Bulgarian Ministry of Trade. The two countries examined the possibilities of cooperation between them, in particular the establishment of an industrial pig-breeding complex, farms for the cultivation of livestock feeds, and a factory for meat processing.

To this end, the Zairian side will supply the technical data during the second meeting of the joint commission to enable the Bulgarian side to define the terms and the extent of its participation in the implementation of this project. In the energy field, the Bulgarian economic organization Electroimpex has supplied the representative of the National Electricity Company (SNEL) with references and prospects for the possibilities of cooperation in the area of hydro-electric stations, high-voltage sub-stations, rural electrification, pumping stations including the implementation of projects, the supply of spare parts, the sending of technicians and the provision for the training of cadres.

The two sides also expressed their desire to cooperate in the field of forestry. To this end, the Zairian side is to furnish the Bulgarian side with some information and especially a guide for the exploitation of forest resources.

Earlier, Luko Baev, who had been received by Ambassador Tshombe Ilunga Ilukembe, secretary general of the department of Foreign Affairs, had expressed that Bulgarian expertise in Zaire for 1986 amounted to 11.5 million.

11/11/86

11/11/86

ZAIRE

TRADE PROMOTION PROGRAM WITH GUINEA DISCUSSED

AMEMB Kinshasa AZAP in French 0810 GMT 27 Apr 86

[Text] Kinshasa, 27 Apr (AZAP) -- Zaire's experience in economic liberalism, which has resulted in the promotion of small-and medium-scale enterprises in the country, is a very encouraging experience which Guinea could eventually try out within the framework of its economic recovery program. This desire was expressed by Alfa-Camara, in charge of missions at the Presidency of the Republic of Guinea, following a 1-week mission to Zaire to look for ways and means to revive the promotion of trade between Guinea and Zaire.

Mr Alfa expressed the desire to see Zaire speed up the finalizing of its draft trade agreement with Guinea in order to overcome the diffidence that presently hinders implementation of this trade agreement, which Guinea awaits.

The visit to Zaire by the Guinean delegate also enabled him to express a number of ideas in support of a coherent trade policy between Guinea and Zaire. In this regard, Mr Alfa announced that a team of two officials of the department of cooperation and Foreign Trade will visit Guinea in the first 2 weeks of June. This visit will be followed in September and October 1986 by representatives of the National Association of Zairian Enterprises (ANFEZA), the International Trade Center of Zaire, and Zairian economic operators.

Alfa, Mr Alfa, will send technical to the CDS to study administrative measures to trade promotion.

Alfa, Mr Alfa said, will support implementation of other agreements in particular the one on the free movement of persons and goods between Senegal and Zaire. This, he said, will further intensify economic cooperation between the two countries.

The Guinean delegate also met, discussed with officials of the Department of cooperation and Foreign Trade, the ANFEZA, and the CDS, expressed satisfaction with the progress of the trade promotion.

ZAIRE

REGIONAL GOVERNORS, PARTY CHAIRMEN APPOINTED, REDEPLOYED

Mobutu Announces Appointments

AB252105 Kinshasa AZAP in French 1531 GMT 25 Apr 86

[Excerpt] Kinshasa, 25 Apr (AZAP) -- The MPR founding chairman, Marshal Mobutu Sese Seko, on Friday appointed five regional party chairmen and governors, two deputy governors, and the general president and the secretary general of the civilian guard.

The regional chairmen are citizens Kilolo Musamba Lubemba, Koyagialo Glase, Makolo Matamba, Tshala Mwana, and female citizen Nzuzi Wa Mbombo. The new deputy governors are citizens Boboy Nyabaka and Samba Kaputo. Citizen Gaspassa Kaweta Milambe is to head the Civilian Guard, and citizen Kpassa Barankata Kats is the new secretary general of the guard.

The appointment of regional party chairmen falls within the framework of the restructuring of the executive council on 18 April. The head of state had appointed three governors in the new team of the party's executive organs as it was necessary to replace these regional cadres as soon as possible.

Regional Governors Redeployed

AB252105 Kinshasa, 25 Apr (AZAP) -- Citizen Mwanda Nalumba, state commissioner for administrative decentralization, today signed an ordinance redeploying regional governors. The redeployment is as follows:

State of Kinshasa
Governor
Deputy Governor
Governor of
Governor of
Governor of
Governor of
Governor of
Governor of
Governor of
Governor of

Nzuzi Wa Mbombo
Mwanda Nalumba
Mwanda Nalumba
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ZAIRE

BRIEFS

CANADIAN AID FOR 1986-1990--Kinshasa, 8 MAY (AZAP)--Canada is expected to give Zaire \$35,512,000 for the 1986-1990 period within the framework of its external aid designated for sectors that can contribute to the country's harmonious development, according to the Department of Planning. The sectors to benefit from this aid consisting of loans and grants are: assistance for the promotion of small-and medium-scale enterprises, the Development Study Group, assistance to the Center for Adaptation of Wood Energy Techniques and to the Permanent Service for the Inventory of Forest Resources (SPIAF), training of forest engineers, assistance for the management of local funds, realization of community development projects, modernization and development of the Societe Forestiere et Commerciale (Forescom), assistance for the management of forests, and equipment of the abattoirs at Goma and Kivu. [Excerpt] [Kinshasa AZAP in French 1425 GMT 8 May 86 AB]

RELATIONS WITH ANGOLA--Kinshasa, 3 May (AFP)--It is the intention of the Zairian Government to maintain "harmonious" relations with all its neighbors, particularly Angola, with which it maintains "close contacts," Ramazani Nanga, Zairian Government spokesman, declared Friday. As quoted by Zairian television, Mr. Ramazani, who is also the minister for information, press, posts and telecommunications, said Zaire will never serve as a base for "the destabilization of sister African states," adding that agreements reached between rebel movements and "certain European and American countries" did not "concern the Zairian state." Zaire has categorically denied the statement made in London last Sunday by Gambian President Kenneth Kaunda, accusing it of serving as a transit base for the transportation of American weapons to UNITA. Declaring for the total independence of Angola, the armed opposition to the Angolan regime, Zaire draws up its foreign policy "in full sovereignty and responsibility, and in accordance with its own geopolitical interests," the government spokesman added. He also indicated that his country will resume relations with the UN when the UN leaves the borders of the non-African regime. [Excerpt] [Paris AFP in French 1130 GMT 3 May 86 AB]

ZIMBABWE

MANGWENDE CALLS FOR ACTION ON AFRICA'S ECONOMY

MB170722 Harare Domestic Service in English 0500 GMT 17 Apr 86

/Text/ The minister of foreign affairs, Comrade Witness Mangwende, has urged African countries to stop quarreling over ideological differences and divert attention towards improving the continent's economy. Comrade Mangwende was addressing the fifth session of the ministerial meeting of the Coordinating Bureau of the Nonaligned Movement in the Indian capital, New Delhi, yesterday.

He noted that the impact of the severe drought which affected more than 27 countries during the period 1983-84 contributed to the already deteriorating African economy.

Comrade Mangwende rejected the notion that the financial crisis of the UN organization is due to mismanagement. He told the meeting that the origin of the crisis is not financial but political, adding that it has been deliberately created by a major power and a founder member of the world body.

Without naming the country, Comrade Mangwende said that country has declined to attack the principle of sovereign equality of states by not honoring its financial obligations as stipulated under the provisions of the United Nations.

The current chairman of the Nonaligned Movement, Mr Rajiv Gandhi, son of the prime minister of India, also addressed the ministerial meeting of the coordinating Bureau of the movement. He paid special tribute to the prime minister, Comrade Robert Mugabe, and Zimbabwe's entire leadership. Comrade Gandhi accepted to host the Nonaligned summit in Harare later this year.

He lauded said Zimbabwe as a beautiful and beautiful country, whose people are talented and industrious.

/11/16

END

ZIMBABWE

MUGABE SPEAKS ON ECONOMY, INDEPENDENCE

MB181218 Harare Domestic Service in English 0600 GMT 18 Apr 86

/Text/ Zimbabwe is today celebrating the sixth anniversary of its independence. Celebrations marking the occasion are being held throughout the country. In Harare, independence celebrations are being held at Rufaro Stadium. Distinguished dignitaries like the Prime Minister Comrade Robert Mugabe, will arrive at Rufaro stadium later today. Yesterday, Comrade Mugabe said that a total collective and individual effort is needed to implement the first 5-year national development plan and attain its envisaged results. He is addressing to the nation, the prime minister said the plan published today should be seen as the nation's socioeconomic blueprint for the transformation of society. He said socioeconomic developments cannot be left to time and evolution, but should be a planned process. Comrade Mugabe said it should be a process directly assisted by the developed interrelation of nations, especially in the sphere of (trade) and economic cooperation. The prime minister pointed out that the individual style of life must reflect the level of Zimbabwe's economic growth and development.

The 2011 National Action Plan which replaced the Government's previous 2008-2010 action plan, sets out problems and challenges facing Vietnam in terms of human development. It also sets the next 5 years' strategy. It addresses the major development challenges, which are the transformation of the (word) indicator/ system and growth, innovation, land resource, and efficient use of land, raising the living standard of the population, the education, and employment of job opportunities and economic growth, etc., development of science and technology, the enhancement of the capital market, increased the environment and development, and the enhancement of the status of women in the strategic sector.

Abstract

OFFICIAL DETAILS ADB, ADF LOANS, PROJECTS

MB060550 Johannesburg SAPA in English 1945 GMT 5 May 86

/Text/ Harare, 5 May, SAPA--A total of 105 million U.S. dollars (some 500 million) has been committed to Zimbabwe since its independence by both the African Development Bank /ADB/ and African Development Fund, ADAF, which is for southern Africa, Mr Alewok Zelleke said today.

In an interview Mr. Zilleke said an additional 30 million U.S. dollars (about R100 million) was planned for Zimbabwe's development projects this year. He said these were the Harare water supply for which 30 U.S. dollars (about R100) was earmarked and the mid-Zambesi valley development plan which would absorb 12 million U.S. dollars (about R20 million) from the two institutions.

Since 1968, the two institutions had reorganized as boys' and girls' units or teams in rural development, he said.

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- The following are also included in the following:

BY ORDER OF THE U.S. DISTRICT COURT OF DISTRICT OF, U.S. DISTRICT COURT AND DISTRICT ATTORNEY, the defendant is hereby made and kept out of the prison and is ordered to pay the costs of the proceedings and to pay the costs of the proceedings and to pay the costs of the proceedings.

Mr Zelleke said Zimbabwe compared favorably with other ADB veteran member states.

"We see a much accelerated pace of participation and cooperation," he said pointing out that all ADB funded projects were in specific priority areas as determined by the government in the respective country.

/12228

CSO: 3400/1650

ZIMBABWE

PARLIAMENT APPROVES SUPPLEMENTARY 134 MILLION ZD BUDGET

MB251343 Johannesburg SAPA in English 1338 GMT 25 Apr 86

/Text/ Harare, 25 Apr, SAPA--The Zimbabwe Parliament today approved a supplementary budget of over 134 million Zimdollars (about R172 million) most of it going towards education and defense. The House of Assembly also passed the appropriation (supplementary) 1985-86 bill to give effect to the ZD 134.87 million budget needed by 12 ministries, including the prime minister's office.

In his second reading speech, the minister of finance, economic planning and development, Dr Bernard Chidzero, said some ministries genuinely needed additional funds to enable them to continue operating effectively.

He said it had become apparent after a review of the budget out-turn of the revenues and expenditure at the halfway stage and projections to the end of the fiscal year that certain expenditures were not adequately provided for.

"While all ministries have made every effort to remain within their allocations," he said, "there are some which genuinely need funds in order to continue to operate effectively."

Dr Chidzero said there were some expenditures which were not foreseen at the beginning of the fiscal year and were not therefore included in the budget.

He said there was provision in the supplementary estimates for preconference arrangements of Zimdollars 13.4 million (about R17.2 million) for the eighth summit of the Nonaligned Movement to be held in Harare in September.

Dr Chidzero stressed that the estimates were, for the most part, related to contractual obligations and to other expenditures of a necessary and urgent nature.

He had provided 20 million (about R26.7 million) for the purchase of new aircraft, and 10 million (about R13.3 million) for the purchase of new vehicles for the police and the army.

The supplementary estimates also provided for the purchase of new equipment for the police and the army, and for the purchase of new equipment for the police and the army.

Large savings were expected on the overall estimated expenditure for the 1985/86 fiscal year and these would be used to finance the bulk of the allocations.

Any amount which could not be financed from savings, he said, would be financed from additional borrowings, but this would be minimal enough as not to upset the already planned allocation of resources.

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BRIEFS

MINISTER COMMENTS ON JAPAN'S AFRICAN ROLE--Zimbabwe has told Japan not to be a passive spectator in southern African events. Speaking at a function to mark Japan's Nation Day yesterday, the minister of foreign affairs Comrade Witness Mangwede, said Japan is a key country in the world which cannot sit back and watch South Africa's racist attempts to transform the whole region into a battlefield. The minister said Zimbabwe is convinced that Japan has a great deal more to gain from a liberated Namibia and a democratic South Africa than from the negative realities prevailing in those two countries. In reply, the Japanese ambassador to Zimbabwe, Mr Yashifumi Ito, said this year's non-aligned summit meeting in Harare demonstrates Zimbabwe's growing eminence in the region and in the international arena. /Text/ /Harare Domestic Service in English 0600 GMT 30 Apr 86 MB/ 12228

ANTIAPARTHEID INFORMATION CAMPAIGN CALLED FOR--The minister of information, posts, and telecommunications, Comrade Nathan Shamuyarira, has called an information campaign against apartheid. He urged journalists, writers, authors, and academics to counter racist South African propaganda and disinformation in their writings. He said they will have to expose the evil role of the Reagan Administration and Western imperialism for its covert collaboration in the blind and brutal repression, exploitation, and murder of blacks in South Africa. The minister stressed that the anti-apartheid campaign has to include South Africa's economic, political, and information destabilisation of Southern Africa. Comrade Shamuyarira made the remarks at the launching of a new book on South Africa entitled "A Different Kind of War" by American journalist Julie Simonsen in Harare yesterday. Comrade Ncube is also the author of "Some Bad Decisions," a book on the role of the Rhodesian media against the people during Zimbabwe's war of liberation. /Text/ /Harare Domestic Service in English 0600 GMT 1 May 86 MB/ 12228

END 1000/1150

SOUTH AFRICA

CAPE CORPS SOLDIERS RECEIVE HONORS AT END OF TRAINING

Cape Town THE ARGUS in English 17 Apr 86 p 8

[Article by Arnold Kirkby]

[Text]

THE first 50 South African Cape Corps (SACC) junior leaders have completed the initial phase of the first integrated course at the Infantry School in Oudtshoorn.

The school trains junior leaders and permanent force members for the South African Infantry Corps and other units and is known for its high standards.

An SACC student, Rifleman Deon Kastoor, 18, took top honours in the drill competition during the formative stage of training which ended recently.

High standards

Rifleman Kastoor, a second-generation SACC soldier, said the training was good, but standards were very high.

His father was Sergeant Thomas Kastoor, one of the first 29 men to join the SACC when it was reformed in 1963. He died in a motor accident in October last year.

A group of journalists yesterday saw the men training.

They are working towards becoming second lieutenants or corporals.

The SACC contingent are among more than 600 soldiers drawn from infantry battalions throughout South Africa.

No incidents

Colonel Hennie Schultz, Officer Commanding, said 15 to 20 percent of students would be unsuccessful and would return to their units — either at their own request or because they did not make the grade.

Asked how the coloured and white soldiers adapted in an integrated unit, Colonel Schultz said there had been no complaints or incidents.

"We were also totally honest and straightforward with the students from the SACC and told them there were some things which it would not be possible for them to do in town."

"The owner of the cinema, for instance, has not yet applied to have it opened to all races, but there is a cinema in the coloured township."

The chairman of the student committee for Golf Company, which has 10 SACC soldiers, Rifleman Jan Alberts of Pretoria said there were grumbles initially from some of the students, especially those from rural areas.

But as training started the SACC trainees were accepted by all.

SOUTH AFRICA

'PEOPLE'S POWER' BECOMES REALITY IN EASTERN CAPE COMMUNITY

Johannesburg CITY PRESS in English 27 Apr 86 p 4

[Article by Mono Badela]

[Text]

PEOPLE's power is no longer a slogan - not to the tiny black community of Port Alfred in the Eastern Cape, anyway.

For since the collapse of the community council in May last year, the residents have made big changes.

Not only has the township become self-governing, its residents have also renamed the township after jailed ANC leader Nelson Mandela.

The decision to rename the area was taken by 10 000 residents at a recent mass meeting, according to Port Alfred Residents' Civic Organisation president Gugile Nkwinti.

"The residents have given up hope that the authorities will ever upgrade the area. They are now pinning all their hopes on Mandela," he said.

Nkwinti - who last year spent more than three months in detention - said a letter had been sent to Mandela inviting him to Port Alfred on his release.

Since Parco has started governing the township, it has taken over all the administrative functions of the community.

"We are now running the community the way we feel it should be run," Nkwinti said.

"We're the first community to introduce 'People's Education' - we've already started a creche and a pre-primary school with more than 225 children.

"Attendance is compulsory and the syllabus will be drawn up in consultation with the students' organisation and the parents of prospective pupils," Nkwinti said.

Residents are also demanding the complete withdrawal of the Eastern Cape Development Board from the area.

"They haven't been functioning since last year," Nkwinti said.

The township has a strong and democratic leadership, he said.

Various street committees, area committees, the Port Alfred Youth Congress, Nonzamo Student Guardians' Association, Port Alfred Workers' Union, Port Alfred Pensioners' Association, Port Alfred Progressive Teachers' Association and Port Alfred Women's Organisation have been formed.

"These organisations are affiliated to Parco which is the supreme body in the township.

"Since the resignation of the town councillors, Parco has refused to pay service charges to the State.

"There's no electricity, sewerage or telephones in the township. We've only got communal water outlets and pit latrines.

"Now all residents pay a nominal fee to the central committee for the use of the facilities - an information centre, creche and pre-primary school - which have replaced the state administration offices," Nkwinti said.

SOUTH AFRICA

FUNDS DONATED FOR KWAZULU TRAINING

Durban THE DAILY NEWS in English 22 Apr 86 p 10

[Text]

THE KwaZulu Training Trust-initiated Project Blue Collar has received another boost by the donation of R60 000.

Donated by South African Motor Corporation, the money is to sponsor the metal-work component of the project with the possibility of further contributions to advance this programme to higher educational levels.

The managing director of KTT, Mr Brian Stewart, said the original donation by Toyota, as well as the Samcor donation, was a true reflection of the awareness being exhibited by South African industrialists of the need for improved training and education of black South Africans.

"When you consider the depressed state of the economy, and more importantly the motor-manufacturing sector, the real significance of the Samcor donation becomes evident," he said.

Project Blue Collar aims to help the KwaZulu Department of Education and Culture in providing school-going children with technical training. This should equip the children after leaving school to bridge the existing gap between the production and quality standards of industry in general and traditional educational approaches.

Mr Stewart said the remainder of the project would cost R1 300 000 over the next four years.

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CSO: 3400/1640

29 May 1986

SOUTH AFRICA

SIGNIFICANCE OF 'BOTHAS' PRESENCE IN SWAZILAND' VIEWED

HB290900 Johannesburg International Service in English 0630 GMT 29 Apr

[Station Commentary: "The Significance of Events in Swaziland"]

[Text] The most significant aspect of events in Swaziland over the past few days was undoubtedly the coronation of King Mswati III as the new ruler of that country. However, on the sidelines the event was significant for other reasons as well. Perhaps one of the surprises was the fact that gathered together were heads of African States together with South Africa's President P.W. Botha.

No matter which way one looks at it, this must be regarded as something of a diplomatic breakthrough, that a South African president shares with other African heads of state a restricted high security area during celebrations in a neighboring state. In addition, President Botha had the opportunity to hold private discussions with people such as President Samora Machel of Mozambique and in fact he was seated alongside the Mozambican president during the coronation celebrations.

In no way can this be construed as a demonstration of acceptance of South Africa's internal policies by her neighbors and those coming from further afield. But perhaps it does indicate that increasingly they are beginning to understand that South Africa is an issue that will have to be dealt with through dialogue and that even white South Africans are true Africans who will have to be accommodated in the new South Africa which is emerging as a result of the government's reform policies. But perhaps the greatest single unifying force in the southern African subcontinent is the region's economic interdependence. This is a reality which southern Africa cannot escape and is openly conceded by every state in the subcontinent.

South Africa is moving politically not only to reform apartheid but to eliminate it. Apartheid is outdated, the state president has said. What this country requires from her neighbors and countries further afield is time and patience so that changes can be carried out in an orderly fashion.

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CSO: 3400/1678

SOUTH AFRICA

SUZMAN REVEALS RIGHT -WING HIT TEAM LIST

ME011140 Johannesburg SAPA in English 1102 GMT 1 May 86

[Text] Cape Town, 30 May, SAPA--The police have not yet reacted to allegations made by Mrs Helen Suzman in parliament last night that a right wing organisation called the Anti-communist, Anti-terrorist Resistance Movement (AARM) had drawn up a 66 name "hit list."

A police spokesman said the minister of law and order, Mr Louis Le Grange had not yet received the documents containing the hit list which Mrs Suzman said she would give him in parliament yesterday. The police were therefore unable to react to the assertions.

Mrs Suzman said last night that she had handed over a number of documents to the commissioner of police, Gen Johan Coetzee. She said the documents contained a list of 66 prominent black and white leaders.

Also in the documents was a recruitment guide to members of the AARM and instructions for them to draw up lists of "suspects" from organisations such as UDF and the ANC.

The guide said that recruits should be "imbued with the spirit to fight, militarily inclined and anti-communists." It stressed, however, that the movement was not anti-black as this was a "dangerous and irrelevant attitude."

Members should be prepared to take risks and endure hardship without requiring an explanation. Recruits should be accepted among locals in their area and "in this type of war you should be able to disappear among the locals, after an operation, in civilian disguise."

The guide states that race, previous status, age and skin plays no part in selection of recruits but they had to be acceptable to qualified members of the organisation. No documentation was required for membership as this involved an unnecessary security risk.

Members would have to devote themselves to fight the spread of communism and terrorism in South Africa. "Better dead than Red," the guide states. The guide also detailed methods of gathering intelligence about the people at who their operation is directed.

Prespective members are told that after joining the organisation their credentials would be checked and they would go through a period of observation. Instructions on training schedules and meetings would be given verbally and members would know by false "inside enemy inform rs."

Mrs Suzman said the organisation appeared to consist of "a bunch of English speaking right wing thugs" and should be regarded seriously in the light of the violent situation in the country.

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CSO: 3400/1678

SOUTH AFRICA

SUZMAN DEPLORES DETENTION OF CHILDREN

NB301700 Johannesburg SAPA in English 1549 GMT 30 Apr 86

[Text] House of Assembly, 30 April SAPA--More than 2,000 of the 7,777 people detained during the state of emergency were children under the age of 16 and a "goood many more" were under 20, Mrs Helen Suzman (PFP) [Progressive Federal Party] Houghton said today.

Starting debate on the Minister of Law and Order, Mr Louis Le Grange's budget vote, she said children had been exposed to all sorts of abuse during their detention because the emergency powers superseded provisions of the Childrens Act, which would have protected them.

"There are hair-raising stories of children being subjected to all forms of violent treatment--mainly in police cells--by security police, and many were held in solitary confinement."

Mrs Suzman cited the example of an 11 year old boy, Fanie Kuduka who, according to a report by the Child Welfare Society--"(they are) certainly not a gang of radicals"--was arrested, charged with public violence, refused bail and kept in jail for two months. "He was a psychological wreck when he was finally released to his anxious parents."

She appealed to the minister to take steps against the abuse of children in detention and those about to be charged.

Also, Mr Le Grange should ensure any future emergency regulations, "which he is no doubt contemplating," would not exclude the protection of the Children's Act.

Holding up a large envelope, Mrs Suzman said she had received "a dangerous document" containing a "hit-list of 50 names" and that she would be forwarding it to the minister for his attention. She gave no other details.

Referring to the Afrikaner Weerstandsbewegings [Afrikaner Resistance Movement, AWB] recent actions at political meetings, she said Mr Le Grange should take steps against such organizations.

Mrs Suzman said earlier it was "common cause" a very bad relationship existed between the police and the black community.

"Instead of being considered as protectors, the police are regarded by blacks as the symbol of oppression." One of the factors which had led to this was that, over the years, the police had had to enforce highly unpopular legislation such as to pass laws and curfews.

"Now that this major source of racial friction is destined at long last for the scrap heap, other things being equal, the relationship between police and blacks should improve." However, this improvement would be hindered by other factors, such as the role police had to play in enforcing "totally unacceptable and ridiculous instructions and conditions" for the holding of funerals as well as police participation in forced removals.

Police enforcement of racial separation at public places, like beaches, also hampered good relations.

"But the main stumbling block to better relations with the black community is obviously the behaviour of police during the past 19 months, since September 1984 when the first outbreaks of unrest in Sebokeng took place."

Since then there had been "report after report" of police excesses in black and coloured townships throughout the republic which included the teargasing of people at peaceful protest meetings, school children in their classrooms, congregations in churches and people in their homes.

"There have been reports of police shooting at children in township streets and sjambokking [whipping] students on their campuses...these excesses take place almost daily," Mrs Suzman said.

Last week, she had been told that police had burnt shacks near Cape Town's Crossroads squatter camps during a hunt for the killers of a policeman.

"The sum total is reflected in the 1,000 people who have died at the hands of the police over the past 19 months--two-thirds of the total of 1,500 (who died in the unrest).

There was also "overwhelming" evidence of the torturing of detainees by police, especially the security police.

"Needless to say most of the victims were black," she said. Many people in the republic were asking themselves if the minister had lost control of his police force and the security police, and whether they were "a law unto themselves."

May agreed this was so but even more alarming was another conclusion that the police's actions were tacitly condoned from above, by Mr Le Grange and his senior officers.

The minister had frequently said he would not tolerate unlawful actions by the police, but she wanted to know how many policemen had in fact been charged.

Mrs Suzman said she was "delighted" the courts were at last taking a step in the direction of restoring the rule of law by setting aside some detention

(without trial) and banning orders. "In doing so the courts are exposing this ministers incompetence in the exercise of his powers to ban, restrict, and detain people, as exemplified by the setting aside of such orders on Mr Mkhuseli Jack, Mr Henry Fazzie and Mrs Winnie Mandela."

Mrs Suzman said she "totally disagreed and disapproved" of Mrs Mandela's recent statements in favour of violence in South Africa. "But this minister is without doubt her best public relations officer, ensuring almost daily headlines for Mrs Mandela."

No-one was more responsible for Mrs Mandela's remarks than Mr Le Grange and his predecessors who had "treated her abominably, harassed her beyond endurance, elevated her to heroine status in the black townships and to martyr status in the rest of the world."

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CSO: 3400/1678

SOUTH AFRICA

COMMENTARY VIEWS 'RADICAL RESISTANCE TO PEACEFUL CHANGE'

NB290601 Johannesburg Domestic Service in English 0545 GMT 29 Apr 86

[Text] It would be a bad day if South Africans became inured to violence, after having been exposed in the past 19 months to almost unprecedented violence, atrocities, arson and intimidation in the country's black towns.

This reign of terror is an extreme manifestation of leftist radicalism--a desperate attempt at any price to subvert the policy of reform, negotiation and consensus. This situation cannot be allowed to continue, and it is for this reason that legislation giving wider powers to the police in unrest situations, was tabled in parliament last week.

Radical resistance to peaceful change is being intensified precisely at a time when real, meaningful progress is being made with the removal of obsolete unjustifiable apartheid measures, of which the abolition of influx control and the past laws last week bore welcome testimony. This is so because those who advocate the politics of violence are not interested in orderly change resulting ultimately in power sharing between all population groups, but want to seize power by violent revolution. Their objective is not merely the removal of apartheid--this, after all, is the declared goal of the reformers--but indeed of the free enterprise system.

In this onslaught more than 500 people, most of them black moderates, have been murdered by radical fellow blacks since September 1984 when the unrest started. The majority of them have been killed in the most gruesome manner. In some instances the limbs of victims were cut off before being burnt to death with the notorious necklace. Of these 500 people, more than 200 have been put to death since the beginning of the year, many of them after the lifting of the state of emergency in February. These methods--the shocking use of violence to obstruct dialogue and negotiation and to cow people into submission--is an inevitability of the fact that the extremists are in the minority and therefore can never gain democratic acceptance of their actions. But the vast majority of South Africans, white and black, realise that this country's future can be determined only around the conference table.

It was found in a survey earlier this month that more than 70 percent of the white population supports reform, and an opinion poll among black industrial workers last year showed that only 19 percent regarded violence as a solution to South Africa's problems. The large body of reformists cannot allow itself

to be thwarted or diverted by an extremist minority. With its peaceful initiatives now being threatened by radical violence and intimidation, an even greater obligation rests on the authorities to guarantee the safety of the country's people and their property through determined maintenance of law and order. The government has the power to implement reform and this involves if necessary, also the use of that power against those intent on wrecking progress towards a peaceful and prosperous future.

At the same time, there are worrying indications from the right of a tendency towards intolerance, to deny political opponents their democratic right of stating their case. This, together with utterances which in no way promote racial harmony, is the last thing South Africa needs at a time when the majority is convinced that the future of the country lies in consensus.

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CSO: 3400/1678

SOUTH AFRICA

LABOR MP SAYS AWB 'BIGGER THREAT' THAN ANC

NE281408 Johannesburg SAPA in English 1347 GMT 28 Apr 86

[Text] House of Representatives, 28 April, SAPA--The government had no moral right to keep Nelson Mandela in jail or retain the ban on the ANC unless it also banned the Afrikaner Weeststandsbeweging [Afrikaner Resistance Movement] and imprisoned its leader, Mr Eugene Terre'blanche, Mr Peter Hendrickse (LP [Labor Party] Addo) said today.

"If the ANC is a threat to this country then I believe Terre'blanche and the AWB are an even bigger threat," he said during the debate on the state president's budget vote. "You have to ban the AWB and lock up Eugene Terre'blanche or you have no moral right, in my opinion, to keep Mr Mandela in jail or for not unbanning the ANC."

Mr Hendrickse said it was time the government acted against "proponents of racism" who helped increase hostility between South Africans.

It was becoming apparent to all concerned South Africans that the AWB, "with its naked and blatant racism," its "swastika-like badge" and "uniforms reminiscent of the Nazis" was a threat to the country.

Mr Hendrickse welcomed the state president's statement differentiating between nationalists and communists in the ANC. Mr Hendrickse said he believed the overwhelming majority of ANC members and supporters were genuine nationalists who wanted a better social order in South Africa.

"I believe that it is important that we talk to these people. These are the people with whom we can determine the future of our country." The extreme left and right should be disregarded.

Mr Hendrickse also said that the sooner the tricameral Parliament was abolished, the better. He was prepared to die for a new South Africa, but not for the present Parliamentary system.

Important reforms were announced in the white chamber, while white ministers only attended debates in the house of representatives when they had an item on the order paper.

"I am sure that all of us by now realise the futility of separate chambers. When are we going to debate together?"

Commenting on the split in the church headed by the Reverend Allan Hendrickse at the weekend, Mr Hendrickse said the split had been caused by the LP leaders' willingness to give the government's reform programme a chance.

Despite the split, he was still willing "to risk it all."

The state president, Mr P.W. Botha, should "try to understand our impatience and frustration when you dilly-dally with reform." "Can you begin to see why we cannot afford the luxury of playing political games while the future of our country is at stake?" he asked.

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CSO: 3400/1678

29 May 1986

SOUTH AFRICA

PFP'S EGLIN SPEAKS ON FOREIGN POLICY

NB051409 Johannesburg SAPA in English 1257 GMT 5 May 86

[Text] House of Assembly, 5 May SAPA--Despite the international anger at South Africa, there were signs that a "more constructive" attitude was developing among some foreign governments, the leader of the official opposition, Mr Colin Eglin, said today.

Opening the debate on the foreign affairs budget vote, he said that trying to follow the fortunes of South Africa in the field of foreign relations was like "riding a fast moving roller coaster."

Undoubtedly both the image of South Africa and the credibility of the government had hit an all time low during the second half of last year. "This was in part because of an orchestrated and sustained campaign by certain organisations abroad to denigrate South Africa wherever they could. In their campaigns these organisations have been prepared to resort to special pleading, selective morality and to a one-sided presentation of the South African situation. "But we would be very stupid, and very wrong, if we saw these campaigns as the only or even the prime reason for the serious problems which South Africa is experiencing in its relationships with the rest of the world and especially its main trading partners in the West."

"There can be no doubt that government actions--and at times the failure of the government to act--have been the major reason for the tarnishing of South Africa's image and the destruction of the government's credibility."

Events last year such as the abortive Cabinda raid, the reneging on the government's undertaking on the "conventry four", the threats to expell foreign workers, the gaberone attack in June and the revelations of SA involvement with RENAMO even after the signing of the Nkamtli Accord had "played right into the hands of South Africa's enemies." International events had, however, been overshadowed in importance by events inside South Africa.

Among these were the declaration of the state of emergency, the widespread violence in the country, particularly from the side of the government, the continued application of apartheid and the way the government dragged its heels in carrying out its own commitment to reform.

"This image of a heel-dragging, time wasting, decision ducking government was confirmed to the world in the state president's disastrous Rubicon speech on 15 August 1985."

Our enemies rubbed their hands with glee; our friends threw up their hands in despair. Pressure built up, limited sanctions were applied, ambassadors were recalled and the accreditation of South Africa's military attaches were withdrawn. Yet amid this international anger and frustration I believe there were also signs of a more constructive attitude developing. "People in some Western countries, and to an extent in Africa, appeared to be realising that it was not good enough to pressurise and to punish, that if a catastrophe was going to be avoided a constructive effort had to be made to assist the process of dismantling apartheid."

Mr Eglin said he had detected this "subtle change of tone" in his discussions with representative of governments and of the private sector who have an interest in South Africa.

The PFP believed the problems of this country had to be resolved by South Africans. "Yet we should not ignore or reject the assistance which could be forthcoming from those outside who genuinely want to help South Africa get rid of apartheid and, having done so, retake its place in the community of nations."

Most important examples of a "more positive and helpful approach" were the package which went with President Reagan's executive order in September last year, and the decision of the Commonwealth heads of government conference to appoint the Eminent Persons Group (EPG).

"We in South Africa should take this group and its mission seriously," said Mr Eglin.

He was encouraged that the EPG, having received the state president's response following its first visit to South Africa, was planning to return here shortly.

While negotiation had to be between South African and South African, it was to be hoped that the efforts of the EPG would get that process going. There were risks in any process of negotiation and obviously the government had a duty to minimise these risks. At the same time, in deciding what level of risk was acceptable, it had to also take into account the disastrous consequences to South Africa, both internally and internationally, if meaningful negotiation on direct black participation in the constitution structures of the country did not start soon.

The PFP believed these negotiations would only be meaningful if the ANC was unbanned. Newspaper reports indicated the government itself was starting to think along these lines.

"In view of the delicate stage of the discussions with the EPG I shall not press this matter further in this debate, save to say that the future of this country and its people for many years to come will be affected in a very

significant way by the decision which the government will have to make on this issue in the next few weeks."

The Minister of Foreign Affairs, Mr Pik Botha, had shown a willingness to "get out of the rut of government orthodoxy" by agreeing to Ambassador Beukes debating on television with a member of the ANC.

His statement on the possibility of a black state president had captured the imagination of black South Africans in a way no paid advertisements could do.

In this important context--the context of black perception--the reform process was dealt a blow when the minister went back and toed the party line two days later.

"I believe that on that afternoon of 7 February, in this house, the minister allowed one of those rare and magic moments in our political life to slip through his fingers," Mr Eglin said.

In the months ahead it was going to be required of "each one of us" whether in government or in opposition, that "we stand up and be counted--that we make the option of power sharing a reality, before that option fades away and we in South Africa are left with no democratic options and no prospect of a peaceful resolution of our problems."

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CSO: 3400/1678

SOUTH AFRICA

SABC EXAMINES BLACK LIBERATION STRUGGLE

NB010952 Johannesburg Domestic Service in English 0545 GMT 1 May 86

[Station commentary]

[Text] It has become clear from numerous statements of the past week--by the state president and other senior spokesmen of his government--that there is an understanding of the Black South Africans striving for political freedom. There is a growing belief among the majority of Afrikaners, who today are in political control after a long uphill battle, that they cannot deny other communities in the country what they demand for themselves.

With the black struggle for freedom, therefore--even through the African National Congress--there is no fault to be found in principle. South Africans do not have a problem with the ANC's nationalism. It is simply one of the nationalisms that will have to be accommodated in the country's new political dispensation in order to ensure a peaceful, just and stable future for all its people. However, what does rule this organisation totally out of order is its open use and championing of violence in trying to achieve its political aims and second, its complete subservience to communism.

This point was stressed again by President Botha this week when he told parliament that it could not be expected of him to negotiate with the ANC while these two factors remained unchanged. It was well-known that the ANC comprised both nationalist and marxist factions. What was worrying, however, was that 63 percent of its National Executive elected last year were members of the South African Communist Party. It was high time, Mr Botha added, that ANC members who did not support communism return to South Africa and take part in constitutional action.

It is simply not credible that an organisation whose policy is prescribed by the Communist majority in its National Executive, and which receives most of its financial, weapons and propaganda support from Moscow, can indeed be striving for what is constantly referred to in its propaganda as the "liberation" of South Africa's blacks. It is not in accordance with the history of the Communists who, since coming to power, have wiped out an estimated 60 million people in the Soviet Union and 20 million in China, and have for the past eight years been trying to force their authority on the people of Afghanistan.

The glaring contrast between the ANC's continued commitment to violence, and South Africa's search for consensus, was tellingly brought to the attention of American television viewers this week when the ambassador to Washington, Mr Herbert Beukes, and an ANC representative appeared together in a programme. After an emotional appeal for support for the ANC's politics of violence, Mr Beukes said calmly: "It is tragic to hear what has just been said. In South Africa we have to concentrate our efforts on broadening democracy. But what I'm, hearing is revolutionary talk, violence and radicalism. That is not the answer."

The message to the ANC is clear. The door is open for participation in constitutional negotiation in South Africa for all who are prepared to renounce violence, but in particular for those leaders who can rid themselves of communist control.

For the nationalist faction of the ANC, at least, two points should be very clear. First, that nowhere in the world has the Communist yoke brought freedom. Every African country which opted for Marxism or Socialism was not only enslaved to merciless dictatorship, but ordinary citizens are now economically much worse off than before. Second, that reform in South Africa simply cannot be dismissed as were cosmetics, but in fact represents substantial progress toward joint political decision-making for blacks in this country. Nationalists in the ANC will have to decide whether this is not preferable to subservience to Communism.

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cso: 3400/1678

SOUTH AFRICA

SABC DEFENDS CREDIBILITY AS INFORMATION MEDIUM

MB280831 Johannesburg Domestic Service in English 0545 GMT 28 Apr 86

[Station commentary]

[Text] The credibility and acceptability of the SABC as an information medium was questioned last week in certain newspapers, by name, DIE VANDERLAND and THE STAR.

The news operation of the corporation, in particular, was the target of these attacks. When it comes from radical quarters--intent on realizing their political objectives through violence--this tactic is understandable and predictable. With its declared policy of not making itself available as a propaganda platform for revolutionary philosophies or radical plans, the SABC has indeed taken an unequivocal stand against revolutionary, violent change.

But when casting of suspicion of this sort emanates from people and concerns professing to serve the same ideals, it raises questions about the motives of those involved.

On the South African public's view of the SABC's credibility, there is irrefutable evidence. According to the authoritative All Media and Product Studeis, commonly known as AMP's, survey for the last quarter of 1985, radio and television constitute the primary news source for most South Africans of all population groups.

More than 70 percent of whites said they believed all or most radio and television news, compared with just 40 percent for the printed media's new coverage.

Virtually the same picture emerged from a countrywide survey conducted in October last year by the HSRC [Human Sciences Research Council]. It found that about 90 percent of whites regarded the SABC's credibility, as far as news coverage is concerned, as good to fair.

With access to all major international news agencies and a worldwide correspondents network, the SABC is able to provide the most comprehensive picture of the daily news scene. It does this in a wide variety of programme formats: radio and television news bulletins, actuality programmes, backgrounders, and panel discussions, in order--as reflected in its

broadcasting policy--to properly inform the public by presenting the newsworthy events of the day factually, reliably, and without distortion. It is further stipulated that the public should be informed regarding all developments affecting their lives, so as to promote knowledge and understanding of the realities that have to be addressed.

As in the newsroom of every newspaper, news selection occurs also at the SABC. A basic difference, however, is that this process at the corporation takes place subject to a stated news policy, but at the printed media it is governed by a confidential policy code, to which the public is not privy. As opposed to printed media, the SABC does not subscribe to a specific party political policy and is therefore able to report in a less restricted and impartial manner than newspapers on national politics and issues.

But it is certainly the SABC's declared policy, for which it makes no excuse, to be loyal to this country, to promote good relations between population groups, and not to broadcast anything that could endanger national security or harm the image of the country and its people.

When news selection is carried out in terms of sensitivity or negativity, it is done in this context, not to provide a platform of mouthpiece for elements and philosophies which would be detrimental to, or would destroy, this country and its interests. National interest, and not party politics, is the first priority which is not always the consideration of the printed media. The corporation, however, remains autonomous in its news selection and does not brook outside prescription.

In a situation of political conflict and unrest in South Africa, in which moderates and supporters of reform could be expected to join hands against the revolutionary onslaught, this suspicion mongering against the SABC is most curious.

It raises the question of whose interests are served when certain newspapers denigrate and undermine their most powerful ally in the struggle to let peaceful reform in this country triumph over revolutionary violence.

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CSO: 3400/1678

SOUTH AFRICA

BRIEFS

CAPE COMMUNITY TO FIGHT RSC'S--Cape Town, 1 May, SAPA--The Cape Areas Housing Action Committee (CAHAC) has rejected the regional services council [RSC] as racist, pledging to fight its implementation with "all the power at its disposal." In a statement today, the chairman of CAHAC, Mr Wilfred Rhodes, said the RSC's were rejected as racist and an extension of the tri-cameral system. CAHAC represents most of the major civic associations on the Cape Flats, Hout Bay and as far as Worcester. "This pretence on the part of the apartheid government of wanting to share power is another fraud. In fact, it will only deepen apartheid and bring great hardship for the oppressed." Mr Rhodes said the other tragedy was to read that city councillors agreed to be the agents of a racist structure by collecting their levies out of fear. "We are not fooled by the middle of the road attitude. The city councillors must put their action where their mouths are." "Those that suffer most under the oppressive laws in the ghettos have rejected the illegitimate government and the agents in the tri-cameral chambers and are not prepared to work the system regardless of the consequences," he said. He said CAHAC believed in a non-racial democratic South Africa and was committed to fight the implementation of the RSC's with all the power at its disposal. [Text] [Johannesburg SAPA in English 2135 GMT 1 May 86 MB] /12913

CSO: 3400/1678

SOUTH AFRICA

EXPERTS ATTEMPT TO CLARIFY SERIOUSNESS OF DEBT CRISIS

Johannesburg THE STAR in English 24 Apr 86 p 21

[Article by Michael Chester]

[Text] It is now almost eight months since South Africa stunned bankers at home and abroad with the declaration of a freeze on the repayment of a multi-billion-rand mountain of debts owed to overseas creditors.

Hard on the heels of the declaration of a State of Emergency, it came as yet another crisis to be added to a chain of woes.

South Africa's faultless record in international financial markets was shattered and its global credit-rating went into a tail spin.

Yet most newspaper readers still look blank over accounts on how the

financial wizards go into regular huddles in distant capitals and in turn issue terse statements — often obscured by economic jargon — on piecemeal agreements to renegotiate the terms of the loans and stretch out the timetable of settlements.

Most of them are still in the dark about both the size and degree of seriousness of the debt issue.

Merchant bankers at Mercabank have tried to dispel the fog and put the crisis into focus with a study undertaken by the Bureau for Economic Policy and Analysis at the University of Pretoria. The main points are made in the accompanying graphics.

But even among the gurus, opinions differ on the root causes of the crisis.

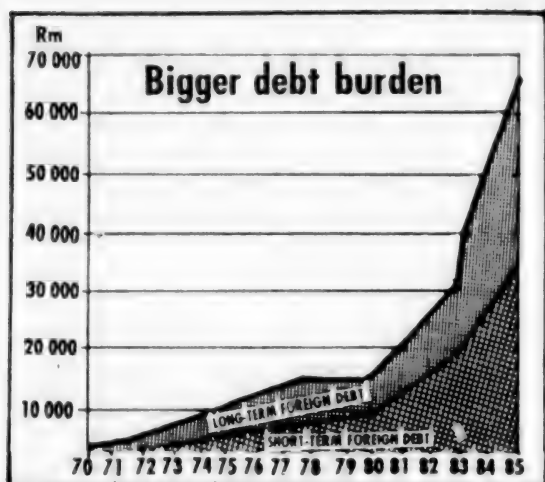
Last straw

Most lay the blame on politics, and trace the chain of events triggered when Chase Manhattan Bank of New York, the first of a long list of banks in the United States, announced it was slashing its credit lines to South Africa as it came under increasing pressure from anti-apartheid lobbies.

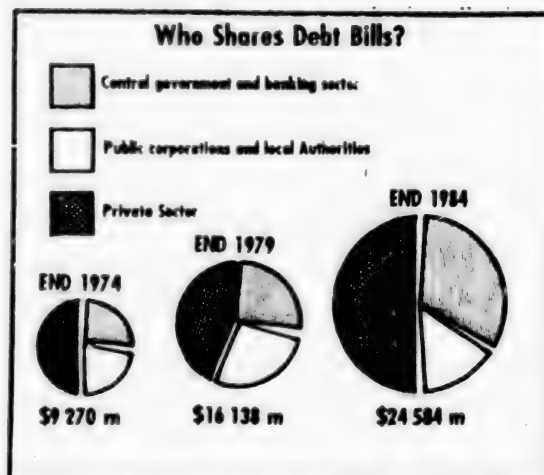
They are convinced the US banks considered it the last straw when the State of Emergency was clamped down in a vain attempt to calm the wave of black unrest.

However, Mr Louis Geldenhuys, a prominent Johannesburg economist, argues it is far too simplistic to blame it all on politics.

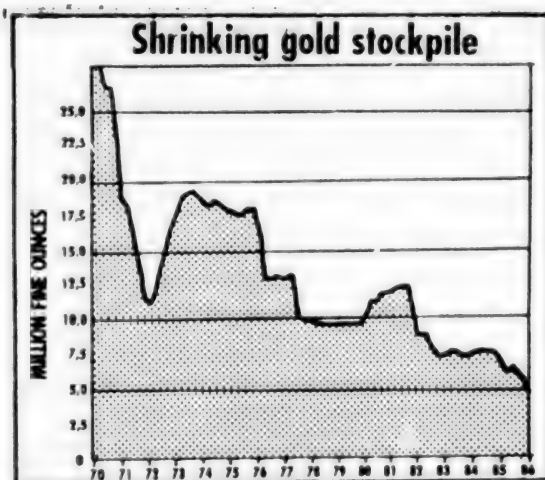
Overseas banks, he believes, turned off the credit taps be-



How South Africa's foreign debts have soared since 1970 — sixfold in US dollar terms and no less than 20 times over when counted in rands.



The pie charts show the run into deeper debt by the central government and banking sector, the private sector, public corporations and local authorities.



The dramatic shrinkage in the gold stockpile held by the SA Reserve Bank as bullion has had to be sold to try to ward off economic problems.

cause they had become fretful about South Africa's poor economic performance in recent years.

There are also divisions about the seriousness of the standstill.

Certainly South Africa is not alone in having severe international debt problems.

Even Dr Fritz Leutwiler, the Swiss banker called in as mediator between SA and its creditors, has conceded that hardly a single country on earth could repay all its short-term loans in one go.

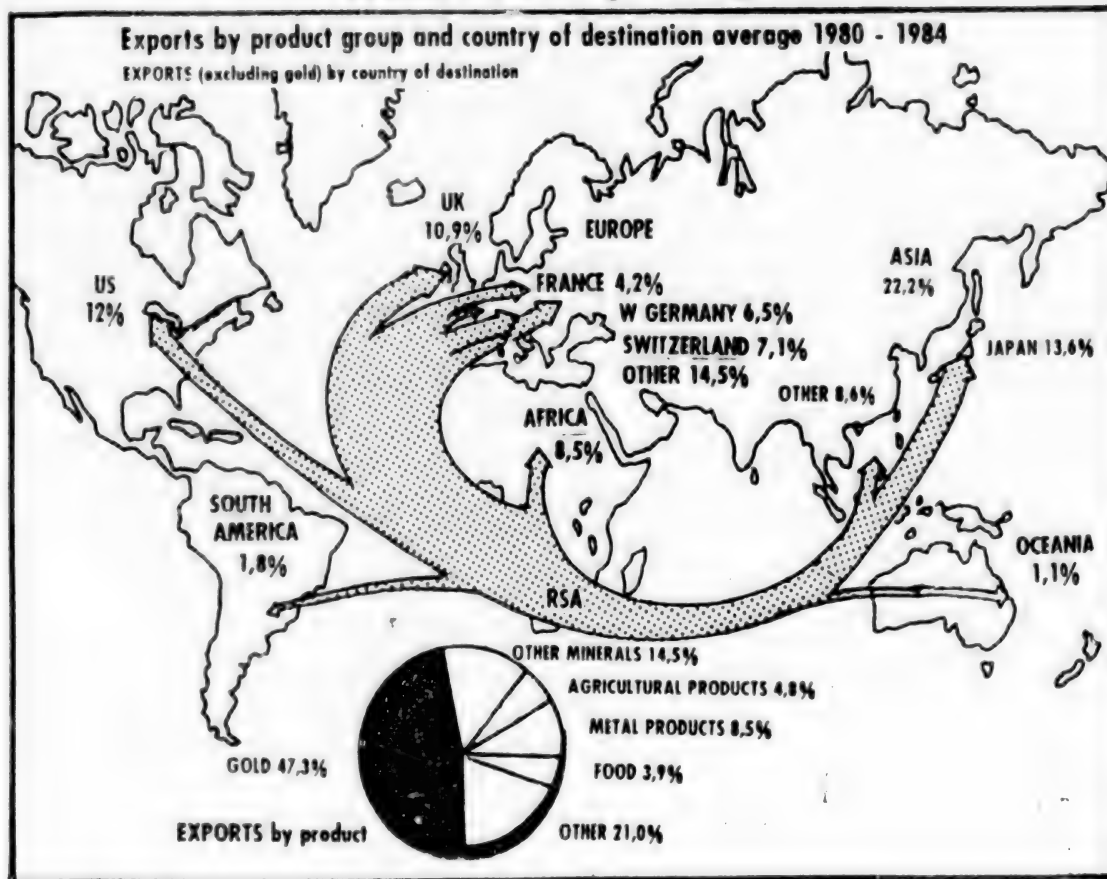
The academics at Pretoria University take another angle.

They have worked out that to clear all foreign debts, every man, woman and child in South Africa would need to chip into the kitty about US\$760 (around R1 500).

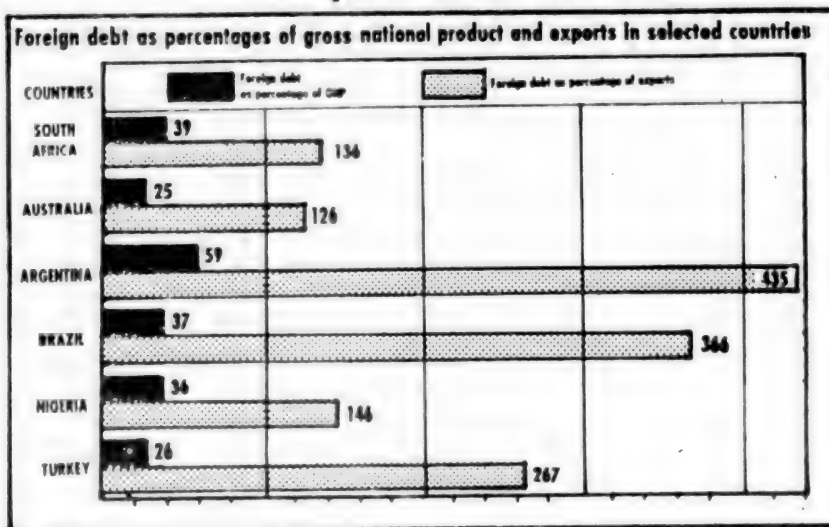
However, they found there were lots of other countries with even deeper debt problems if analysed on a per capita basis. For instance, in South America, infamous for the debts; the comparable burden in Chile amounted to \$1 230 and in Argentina it was \$1 180.

But even Australia, which stays well away from the debt headlines, would need no less

Where SA exports go

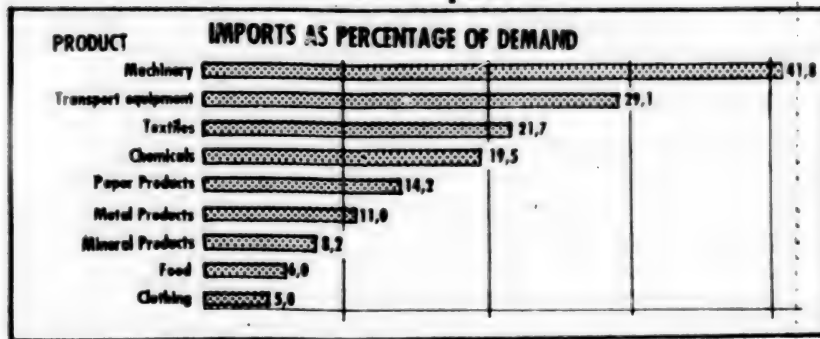


Can exports cover debts?



A bar chart gives a breakdown of the products that are typically imported and whose costs have added to the debt problem.

What raises import bill



The Mercabank study sets out to show that "the long-term solvency of South Africa is above suspicion", with its total foreign debts equal to less than 140 percent of its annual exports.

Foreign debt crisis diary

A diary of key political factors in the foreign debt crisis:

1984

July: Gold tumbles under 350 dollars an ounce

August: Austerity economic package unveiled.

September: Serious unrest erupts in Vaal Triangle.

1985

July: State of Emergency declared.

France prohibits new investments in South Africa.

United Nations votes for voluntary sanctions.

European Community countries recall envoys.

August: Chase Manhattan Bank cuts credit lines.

President P W Botha's Rubicon speech.

September: Standstill on foreign debt payments.

Stock Exchange and foreign exchange markets closed temporarily.

December: Foreign exchange controls tightened.

1986

January: State President opens Parliament.

February: First agreement with foreign bankers to delay repayments.

April: SA repays five percent of blocked loans.

than \$1 920 from everyone to settle with its creditors.

Mr Geldenhuys prefers another perspective. He estimates that the debt dilemma will strip at least 1.4 percent from South Africa's annual economic growth rate — causing the loss of a potential 90 000 new jobs being created every year.

Cures for the problem?

"The more reform policies appear in positive headlines", says Dr Leutwiler, "the more banks will be prepared to do business again".

Says Mr Geldenhuys: "Political progress will be vital to future strategies, but it will not be

sufficient by itself.

"The debt standard has forced South Africa into uncharted waters and what has become absolutely crucial is an entirely new masterplan to put much more muscle into the entire economy".

Bankers and politicians alike stress assurances that South Africa will honour all its foreign debts — if given time.

But the costs of speeding up repayments under global pressures will add heavy new burdens to the economy.

Among the costs listed by the Mercabank study: higher inflation caused by a weaker rand exchange rate, slower domestic

economic growth, more unemployment — and lower living standards all round.

Now more than ever, says Mr Wim Holtes, head of the SA Foreign Trade Organisation, South Africa must concentrate on a far better export performance: "We simply have to learn we must earn more than we spend".

/13104

CSO: 3400/1626

SOUTH AFRICA

ECONOMIST BLAMES PART OF NATION'S DEBT ON COMPLACENCY

Johannesburg BUSINESS DAY in English 24 Apr 86 p 7

[Article by Lesley Lambert]

[Text] THE complacent attitude of monetary and political authorities, after SA's foreign exchange markets were liberalised, contributed to the country's foreign debt problem, according to economist Louls Geldenhuys.

Speaking this week at a Mercabank seminar on the debt standstill, Geldenhuys said the increasing reliance on market-related exchange and interest rates had underplayed the importance of discipline and prudence in monetary policy.

The authorities had applied an "ad hoc approach to situations which had developed" over the past decade.

However, the Reserve Bank's intervention in the foreign exchange market since the tightening of exchange control regulations had shown the authorities' ability to stabilise the rand exchange rate without applying rigid controls.

Exchange rate

"The SA situation, given the potential volatility of the gold price and the political uncertainty, is not totally conducive to successful free market operation. However, we need to distinguish between the management of the exchange rate and the imposition of a fixed rate," Geldenhuys said in an interview after the seminar.

He said the fall in the exchange value of the rand had also been a major factor in the accumulation of debt, as it had led to substantial short-term borrowing to replace capital which had flowed out of the country. Failure to invest this capital in areas of potential growth had exacerbated the problem.

Geldenhuys disagreed with the view that the debt standstill resulted from political rather than economic factors.

"The political situation may have been the final straw which forced the authorities to impose a debt moratorium, but to blame it entirely is simplistic," he said.

"We need a co-ordinated economic plan to engineer a climate to attract foreign capital to a changing SA and to improve the private sector's trust in the ability of the authorities to handle the economy."

While there were no instant solutions to the debt problem, Mercabank economists, in their latest *Focus on Key Economic Issues*, saw the promotion of domestic savings and rebuilding of foreign reserves as major prerequisites.

Geldenhuys argued that attempts now to generate savings by increasing interest rates would destroy any industrial recovery which had occurred. It would be more appropriate to use existing savings more efficiently.

High on the list of vital economic priorities were increased productivity to stimulate international competitiveness, a more diversified export mix and the promotion of domestic activities with a low import component and high labour intensity.

Mercabank has published some sobering statistics on the increase in SA's foreign debt over the past decade.

The figures show that the debt — particularly short-term — grew six times in dollar terms and more than 20 times in rand terms from 1970 to 1985.

The debt in rand terms reached a record level of R65,8m by August.

Short-term debt (repayable within 12 months) rose sharply, from about 34% of total debt in 1979 to more than 50% in the past three years.

September's debt freeze could not prevent a leak of short-term reserves, including import/export credit, which amounted to R5bn during the last quarter of 1985. Since then this outflow has stopped and started according to the leads and lags situation.

Further loans

Efforts to negotiate further loans or to conclude further gold swaps were hampered by the already high level of foreign loans to the monetary authorities and the low gold reserves in 1985. Suspicion about SA's liquidity prevented the authorities from approaching other foreign banks to substitute the funds being withdrawn by American banks.

The IMF, which would normally have provided bridging credit in view of SA's current account surpluses and limited debt and interest commitments, apparently refused to assist.

Mercabank said in addition to blemishing SA's foreign payments record, the standstill implied considerable costs to the economy in the form of higher inflation due to the weaker exchange rate, lower domestic growth, lower living standards and more unemployment, while the debt was being repaid.

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CSO: 3400/1621

SOUTH AFRICA

BUSINESS IN EASTERN CAPE CITIES FACES CRITICAL SITUATION

Johannesburg SUNDAY TIMES (Business) in English 27 Apr 86 p 9

[Article by Ciaran Ryan]

[Text]

RECESSION, strike action and consumer boycotts have devastated business in Port Elizabeth, East London, Queenstown and Uitenhage in the Eastern Cape and Howick in Natal.

About 35 white businesses in Queenstown, which is close to both Ciskei and Transkei, closed after a seven-month consumer boycott by 70 000 blacks living in nearby Mlungisi.

The boycott ended after the authorities committed more than R16-million to upgrading facilities in the township.

An estimated million residents in Ciskei's Mdantsane are boycotting white-owned shops in nearby East London.

SA Detroit

Dozens of shops serving the black market have been closed or liquidated.

Port Elizabeth and nearby Uitenhage — once regarded as the Detroit of SA because of the number of car manufacturers in the area — are in the front line of the crash in car sales. The new-car market contracted by 25% in 1985 on the heels of a 25% drop the previous year. Ford has closed two of its car plants in Port Elizabeth and will shut the third and last soon.

The remaining Port Elizabeth manufacturers, Volkswagen and General Motors, have scaled down their operations. The number of staff employed by car manufacturers in SA has fallen by 41% since 1982 — in Port Elizabeth and Uitenhage, more than half the car-workers have been sacked since 1982.

Strike firings

Queenstown businesses forced to close ranged from the small to the large — all involved in the black market. An estimated 500 blacks and a few whites lost their jobs.

BTR Sarmcol is the main employer in Howick. Last year 970 black workers were fired after strike action called over management's refusal to recognise the Metal and Allied Workers Union (Mawu). New workers were employed, and only a few dismissed employees were reinstated.

A black consumer boycott of white businesses followed. Businesses suffered less than in Queenstown because there are only 1 000 blacks in Howick compared with 6 000 whites. The BTR sackings left 60% of blacks in the town unemployed.

BTR has laid off 50 white staff. The number of houses being put on the market is 50% above normal, says Howick estate agent John Christy.

He says: "There are about 120 houses on the market, but only a few of them are as a result of BTR lay-offs."

"This has pushed down house prices. The asking price for one house fell from R80 000 to R70 000."

In Queenstown, few whites have moved out. Unemployed whites have been able to find other work, says the president of the Chamber of Commerce, Peter McEwen.

"Queenstown has decided to move away from its heavy dependence on black consumer trade because it is unreliable."

"We will promote the town as a decentralised area. About 20 factories have set up here in the past five years — an investment worth R40-million. We expect investment of R60-million this year."

"None of the factories has left because of strikes because most are producing goods for export or to other parts of the country and do not depend on local markets."

Harbour blow

Harbour traffic through East London is at its lowest in 10 years. Last year, 2.1-million tons was handled compared with 4-million tons in 1983. Only 2.3% of SA's port traffic went through East London last year compared with 8.4% in 1976.

Port Elizabeth handled 6-million tons of port traffic last year, or 6.6% of SA's total, compared with 27% in 1976. The increase in traffic through Richards Bay accounts for the decline in Port Elizabeth and East London. About 35% of SA's wool exports are channelled through East London — the rest through Durban and Port Elizabeth.

Housing values in these towns have fallen in line with their economic fortunes. Estimates of the drop vary between 15% in Port Elizabeth and 30% in East London, the result of an economic decline more than strike or boycott action.

Another victim of the recession in the car market is Chloride SA's East London plant which will close on Wednesday unless a suitable alternative is found. The battery manufacturer will centralise operations at its Benoni plant. Negotiations with union officials have taken place which may lead to the lay-off of 315 workers.

The decline in the new-car market and the rising cost of production forced the company to reassess its presence in East London. Management say the Benoni plant, which will be expanded, can provide all its battery requirements.

President of the East London Chamber of Commerce, Nico Cloete, says: "We have had to adjust to new realities. Several chain stores selling to the black market report a 100% drop in business. But they are able to keep going because they have large resources backing them. Others have not, and they will have to close."

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CSO: 3400/1638

SOUTH AFRICA

FARMERS IN TRANSVAAL FACE FINANCIAL COLLAPSE

Johannesburg THE STAR in English 29 Apr 86 p 3

[Article by Kym Hamilton and Sue Leeman]

[Text]

In an unprecedented move, Transvaal farmers have appealed for a two-year moratorium on their debts to avoid financial collapse.

The recent rains have come too late and extraordinary emergency aid is now needed to save the agricultural sector, they say.

The Government is holding talks with farmers on the problem of debt and crippling input costs.

South African Agricultural Union (SAAU) officials are meeting Cabinet members, including agriculture ministers Mr Greyling Wentzel and Mr Sarel Hayward, in Cape Town this week for top-priority talks.

It is understood the SAAU will spell out farmers' problems and call on the Government to bring down input costs.

Subsidised agriculture

The Minister of Trade and Industry, Dr Dawie de Villiers, has already been approached in this regard and has been told that unless input costs drop, agriculture must be subsidised — an option farmers do not favour.

There has also been a top-level meeting recently between state officials, banks — including the Reserve and Land Banks — Mr Hayward and representatives of the farming sector.

In a statement yesterday, the Northern Transvaal Agricultural Union said the financial distress of farmers now outweighed drought-related problems, and few farmers had enough assets to cover their debts.

The union said this financial crisis was unprecedented in South Africa and called on:

- The authorities to consolidate farmers' debts — estimated to be R2 004 million at the end of 1985 — under the auspices of the Land Bank.

- Government and semi-government organisations to impose a two-year moratorium on farming debts except in cases where farmers are clearly insolvent.

- Commercial financial institutions to institute a voluntary two-year debt standstill.

- The Government to launch an urgent, in-depth investigation into input costs and possible price control.

- Farmers to practise responsible and careful financial management.

A survey by the Transvaal Agricultural Union last week found that the rains were too late to influence grazing and crops.

The situation in the western and northern Transvaal was critical. Many harvests had been ruined.

SOUTH AFRICA

FUNDS NEEDED FOR HUGE KLIP RIVER DAM PROJECT

Johannesburg THE STAR in English 18 Apr 86 p 11

[Article by Shirley Woodgate]

[Text]

R20 million is being sought to build a lake with the largest water surface on the Reef, on a vast swamp south of Johannesburg.

The planned 250 hectare Klip River Dam will be situated below Kibler Park and 14 km south of the city centre on a portion of the 750 ha Southern Johannesburg Park.

An appeal has been launched by former mayor, Mr Issy Schlapobersky, to private enterprise to sponsor the massive project to the tune of R20 million in blocks of R2 million each.

The project, which involves creating the lake on a swamp formed by the Klip River on the city's southern boundary, has long been in the pipeline. The land was bought for this purpose by the council 14 years ago.

Years of delay and lack of funds dried up the Reef's biggest and most ambitious man-made lake even before the first drop of water had been dammed.

The brainchild of Mr Schlapobersky while mayor of Johannesburg in 1968/69, the planned 2.25 sq km stretch of water is larger than the 0.08 sq km Emmarentia Dam and far exceeds the 0.22 sq km Boksburg Lake, the 0.35 sq km Florida Lake or even the 0.75 sq km Germiston

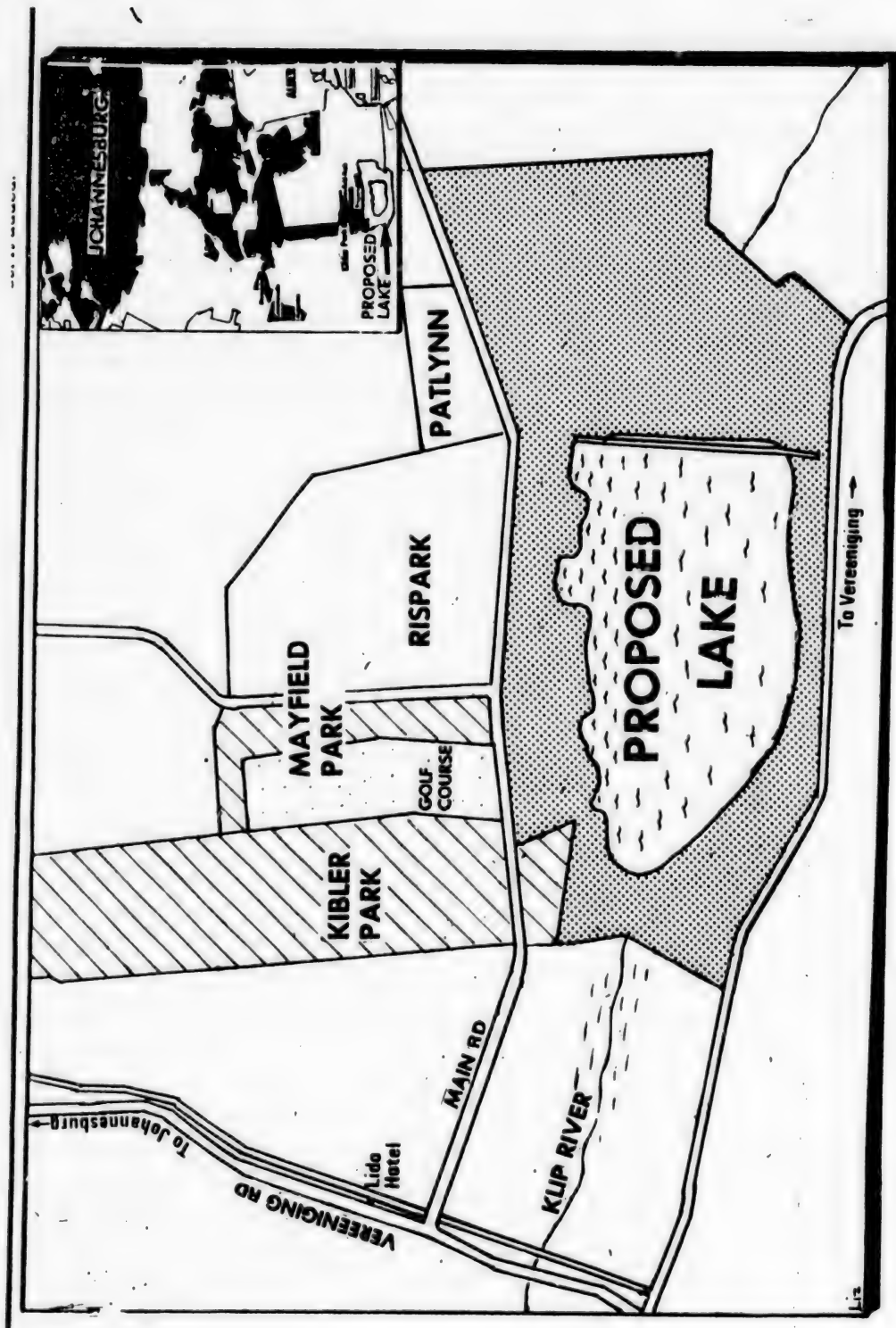
Lake.

Extensive feasibility studies have ruled out the danger of sinkholes developing in the dolomitic ground. The water has been found to be clear and the scheme has the go-ahead from the council as well as the Department of Water Affairs.

If sufficient money is raised, a three kilometre long dam, the likes of which Johannesburg has never dreamed of, will nearly double the water space on the Witwatersrand — one of the few great city complexes in the world which has not been built on a river, sea or lake, said Johannesburg parks chief, Mr Paul Loubser.

The 7 m-high wall damming the Klip River on the eastern side will not affect the flow into the Vaal Dam, and riparian rights below the wall will be ensured by valves in the wall which will keep the water running until the lake is full. The amenity is seen as the answer to the Reef's 124 rowing clubs' prayer, being long enough to easily carry a 2 000 m long Olympic rowing course.

Eventually the 500 sq m surrounds of the Southern Johannesburg Park will be landscaped and developed, but at this stage only the first phase is on the cards — all depending on the generosity of the Witwatersrand's business community.



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CSO: 3400/1626

SOUTH AFRICA

SALARIES LAG BEHIND INFLATION RATE

Johannesburg BUSINESS DAY in English 31 Apr 86 p 2

[Text]

SALARY increases for South Africans of all race groups are still on a downward trend and continue to lag behind the inflation rate.

Figures published by the remuneration division of P-E Corporate Services in its April salary survey show that the overall movement in basic salaries for all race groups from July 1985 to March 1986 was only 5,6%.

Yet the movement in the Consumer Price Index from July last year to January 31 this year was 10,7%. (The CPI figure for March has not yet been released, making an eight-month comparison impossible at this stage.)

"The economic recession continues to mitigate against companies awarding high increases," said Miss Jane Ashburner, manager of the division.

"Force of circumstance have dictated that companies' financial results be the only determinant of salary increases.

"From the employee's point of view," she said, "high inflation has made a mockery of most increases received over the past year as they do not come near the inflation rate.

"In real terms, employees are worse off than they were five years ago due to

the massive decline in the purchasing power of the rand in this country."

The survey, which is the most comprehensive undertaken in the country with data provided from more than 1 000 organisations employing 1 200 000 staff of all race groups, shows that whites again received the lowest increase — at 5,3%.

Miss Ashburner said the higher percentage increases granted to blacks could be misleading, as the increases awarded were invariably on lower average pay scales.

Among whites, the highest increases went to sales and marketing staff — at 7,4%.

The lowest increases went to general administration staff at 3,5%. Data processing staff were also low down the ladder, at 4,6%.

Increases granted in the manufacturing and construction industries were also low, with operations and management categories receiving an average 4,1% increase.

Among blacks and coloureds, the highest increases went to clerical and secretarial staff.

Among the companies surveyed 71% predicted increases for the year of between 7,5% and 12,5%. — Sapa.

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CSO: 3400/1622

29 May 1986

SOUTH AFRICA

ANGLO MINES' PROFITS FALL; UNREST CONTRIBUTING CAUSE

Johannesburg BUSINESS DAY in English 18 Apr 86 p 13

[Article by Roy Bennetts]

[Text] ANGLO AMERICAN's Transvaal gold mines gained by an average gold price of R25 055/kg, which was in-line with GFSA and above the average London fix of R23 698/kg for the three months to end-March.

However, compared with the previous quarter the mines dropped R2 500 for every kilogram of gold sold, to suffer a combined fall in taxed profits of nearly R120m at R241,6m.

Vaal Reefs obtained revenue of R534,2m (R580,8m) from its sale of 21 036kg of gold, with the mine failing to offset a drop in grades to 7,23 (7,64) grams a ton despite an increase in its milling rate.

The drop in gold yields was a result of sporadic labour unrest during the quarter which reduced the area mined and forced the use of lower grade material.

This problem is likely to continue to affect grades in the current quarter.

Average gold price received declined by nearly 8% to R25 282/kg, largely as a result of the strengthening of the rand.

After increased working costs of R210,8m (R202,8m), the complex was left with a working profit of R323,4m (R378m) and pre-tax profits of R280,7m (R371,5m).

Less tax was paid, in line with the lower income at R168,4m (R183,2m) to leave the mine with profits of R112,3m (R188,3m). Available profits after capital expenditure were R85,6m (R125,7m).

Western Deep Levels suffered a drop in grade to 7,49g/t (8,01) due to severe seismic activity on the higher-grade upper carbon leader section at No 2 Shaft.

There was an increase in working costs during the quarter because of the build-up at the new No 1 Shaft prior to starting production.

Consequently, pre-tax profits declined by 24% to R141,2m, while a 41% drop in capex pushed taxation up to nearly R51m to leave profits of R90,3m (R145,4m).

Elandsrand was also affected by rock-falls which reduced the area mined and lowered gold recovery to 2 727kg (2 823).

As a result, gold profits were down by 29% to R34,6m (R48,7m).

ERGO increased gold production by 8,3% to 2 249kg, but the lower gold price and a slight rise in costs limited the increase in revenue to R66,9m (R65,7m). Output of by-products was marginally reduced.

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CSO: 3400/1621

SOUTH AFRICA

NEW. BOPHUTHATSWANA AIRLINE BEATS BANS

Johannesburg SUNDAY TIMES (Business) in English 27 Apr 86 p 1

[Article by Ciaran Ryan]

[Text]

A NEW Bophuthatswana airline, Afro Air, starts flying freight from South Africa to anywhere in Africa, the Middle East or the Far East early in May.

In a style reminiscent of Rhodesian sanctions busting, Afro Air has avoided the ban on SA aircraft flying to black Africa by sub-chartering two DC-8 jets from a Zimbabwean air-freight company, Affretair. The crew is also foreign.

No frills

Managing director of Afro Air Hannes Bezuidenhout says he intends to launch a People's Express-type passenger service from Mmabatho to Madeira, Jeddah in Saudi Arabia and other destinations in Asia later this year.

Mr Bezuidenhout says: "We believe there is a large ethnic market in SA — among them Portuguese and Muslims — which is not being adequately served."

People's Express in the United States and Virgin Airlines in Britain operate a "no-frills" shuttle service on high-density routes. Passen-

gers arrive at the airport, buy a ticket and wait for the aircraft to leave. Fares are up to 50% cheaper than scheduled flights.

Mr Bezuidenhout says Afro Air will sub-charter passenger aircraft from Europe on a short-term basis to coincide with seasonal demand.

A typical air fare to Madeira will be \$700, which is not much cheaper than SAA's Johannesburg-Lisbon service but avoids connecting flights. The new services will offer direct flights not provided by scheduled carriers, says Mr Bezuidenhout.

Sanctions

The two DC-8s for air freight were used in the Rhodesian war in clandestine operations to circumvent United Nations economic sanctions.

As trade between black Africa and SA approaches R15-billion a year, the demand for faster transport to

central Africa and beyond has increased, says Mr Bezuidenhout.

"Trucks can ferry goods as far as Lumumbashi in Zaïre, but no further. Then there is the problem of pilfering and breakdowns.

Big problem

"We will fly anywhere in Africa — Libreville in Congo, Kinshasa in Zaïre, Kenya, Bahrain, Saudi Arabia, Singapore, Moscow, Hungary — you name it."

The aircraft have a 40-ton payload and the service will begin with one flight a week.

Mr Bezuidenhout says Afro Air is negotiating to buy aircraft. Noise abatement legislation will come into effect in Europe in 1988 and older models of the DC-8 will not be allowed to land there. New aircraft with a longer range and quieter engines will be needed to fly to Europe.

Afro Air is wholly owned by Leta Transport. Mr Bezuidenhout is the principal shareholder in Leta Trans-

port. He intends to reduce his shareholding in Afro Air from 100% to 51%, allowing staff to acquire 49%. Mr Bezuidenhout also owns Impala Air which operates from Rand Airport, Germiston.

Mr Bezuidenhout says the major problem facing Afro Air is filling the return leg of each journey:

"There is plenty of outward-bound business from SA. Unless we can fill the plane on both legs we will have to charge the outward-bound client for the return as well.

Scouring

"But as time goes on we expect more business coming to SA so our job will become easier."

Agents have spent the past 18 months scouring Africa, the Middle East and the Far East for potential destinations for Afro Air.

Mr Bezuidenhout is confident that Afro Air will show a net profit on turnover of \$7-million in the first year.

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CSO: 3400/1638

29 May 1986

SOUTH AFRICA

BRIEFS

STATE SPENDING EXCEEDS ESTIMATES--Government spending totalled R33,026bn last year, while total revenue reached R29,884bn, according to final figures published in Friday's Government Gazette. Both amounts were slightly higher than expected. In his Budget speech last month, Finance Minister Barend du Plessis estimated 1986/86 spending at R32,977bn and revenue at R29,730bn. Over the course of the 1985/86 financial year the State borrowed a net R3,37bn, about R100 more than anticipated by Du Plessis last month. Main culprits for spending more than revised estimates were Constitutional Development and Planning, which overspent by R386m (7,2%), and Foreign Affairs, which overspent by R100m (8,4%). Despite increased activity during the year, police overspent by only R42m (4,4%). Defence overspent by R245m (5,7%). Du Plessis' own Department of Finance spent R84m (8,6%) more than it should have. [Text] [Johannesburg BUSINESS DAY in English 21 Apr 86 p 2] [Article by John Tilston] /13104

CAR SALES SLUMP--There is still no sign of recovery for the motor industry. Sales figures for April to date show little or no improvement on those of March. After a disastrous first quarter, which saw sales fall 25% on the first quarter in 1985 to reach their lowest level in nine years, the industry hoped for signs of recovery in April. Apparently, this is not to be. The McCarthy Group said yesterday car sales for the first 20 trading days were only marginally up on those of March, with commercials marginally down and used car sales on a par. "If the Budget was going to have an impact on sales, it should have happened by now," said McCarthy's Derek Dixon. Final sales figures for this month should show a slight improvement over March because there are 2,5 more trading days, but a car market of about 15 000 will not cause any joy in the industry, which is already preparing itself for a total car market of about 185 000 - a 10% fall on last year. The continued sluggishness of the vehicle market is putting increasing pressure on manufacturers. This year's poor sales performance was not expected by the industry. If the trend continues much longer, already cash-strapped manufacturers will be faced with inventory problems and a mounting interest burden. [Text] [Johannesburg BUSINESS DAY in English 23 Apr 86 p 2] [Article by Alan Ruddock] /13104

TOURISM ADVERTISEMENT CRITICIZED--The SA Tourism Board (Satour) is wasting its money by spending R20m on an advertising campaign to lure foreign tourists, say travel industry officials. "Adverts can't compete with headlines. There

is a feeling of revulsion towards our political policies," said Michael von Kotze, incoming tourism chairman of the Association of SA Travel Agents (Asata). He was responding to the news that Satour had awarded a R20m advertising account to promote SA overseas. Von Kotze said SA should solve its political problems before trying to lure foreign tourists through a multimillion-rand advertising campaign. Progressive Federal Party tourism spokesman Roger Hulley said the campaign would be a waste of taxpayers' money. "One positive political move would achieve more than millions of rand wasted on advertising," he said. Von Kotze suggested that SA should be promoted in non-public areas and closed associations. "We will have to appeal to a more conservative element and stay away from the public media. Tourism to SA fell 80% last year. Von Kotze said group tours dropped dramatically but individual travel had not been seriously affected. "However, government will have to put its house in order. Unless real reform is promulgated, and seen to be effective, we can't hope for any image change," he said. The account was awarded to advertising agency O & M, Rightford, Searle-Tripp & Makin. [Text] [Johannesburg BUSINESS DAY in English 23 Apr 86 p 2] [Article by Cherilyn Ireton] /13104

NORWEGIAN TRADE CONTINUES DECLINE--Norway is ever reducing its trade with South Africa. This is seen in the Trade Ministry figures for this year's first 2 months. These figures also confirm that Norway is buying increasingly more manganese ore from South Africa. We bought and sold goods totalling 141.4 million kroner in January and February. This is a decline of 21.7 percent compared with the first 2 months of last year. Then the joint trade amounted to a little over 180 million kroner. In the year period 1 March 1985-28 February 1986, the trade between the two countries dropped by 22.7 percent, compared with the same period the year before--from around 1.1 billion to approximately 839 million kroner. We imported goods in January and February of last year worth 43.7 million kroner, compared with 62 million in same 2 months of 1985. Manganese ore accounted for 91.3 percent of imports. The Trade Ministry will study in more detail why 100 kg of melons were imported, something which is prohibited by the import prohibition. We sold 17 percent less to South Africa in January-February last year, compared with the preceding year's two 1st months. Last year, exports amounted to 97.7 million kroner. But exports for these months last year are likewise greater than in January and February of 1984. /Text/ /Oslo AFTENPOSTEN in Norwegian 22 Apr 86 p 11/ 12228

RIVER PROJECT WELCOMED--House of Assembly--He was "delighted and excited" at the latest report on the Orange River development programme, Mr Errol Moorcroft (PFP Albany) said in the House. Speaking during debate on the Water Affairs Vote, he said he was particularly pleased for farmers in the Lower Fish River Valley who until recently had found it hard to make a living from their land. The Lower Fish River scheme served a number of functions, he said. Among them were: It would irrigate 1 500 hectares on the Republic side of the river, thus trebling the irrigable land there; and It would alleviate the chronic water shortage in Grahamstown and its Black townships. [Text] [Johannesburg THE CITIZEN in English 24 Apr 86 p 4] /9317

BUSINESSMEN SEEK DIALOGUE WITH BLACKS--Businessmen near Alexandra township are calling for dialogue with any resident or group - moderate or radical. The Alexandra Action Committee (AAC) of white businessmen based in areas bordering on Alexandra, Sandton, believe it is imperative for concerned groups to get together. They feel the state and local authorities are not doing enough to solve problems. "Something has to be done," said AAC spokesman Ron Osborne. "We don't care whether we talk to the moderates or the comrades who put out boycott pamphlets. We want to talk." Osborne is appealing to Alexandra residents willing to participate in any form of dialogue with businessmen to contact him at (011) 786-3182/3. Deputy Director-General of Constitutional Development and Planning, Noel Viljoen, had said the State will not step in to help businessmen in the area. He has dismissed a suggestion that a buffer zone, similar to one between Munsieville and a white suburb in Krugersdorp, be created near Alexandra. [Text] [Johannesburg BUSINESS DAY in English 24 Apr 86 p 3] /13104

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